

BOX 164

4. A-16 AXIS WAR POTENTIAL (Reports re):
 - a. German's War Potential: January, 1944.
 - b. Summary of European Documents: August 20, 1943.
 - c. Summary of Far Eastern Documents with Table of Contents of Far Eastern Documents; Vols. 1-15: 1936 - 1941.
 - d. Correspondence re above.

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**WAR DEPARTMENT
HEADQUARTERS OF THE ARMY AIR FORCES
WASHINGTON**

January 27, 1944

The President
The White House

Dear Mr. President:

The group of outstanding historians, of which I spoke to you on our recent trip to Cairo, has completed its analysis of German war potential and I think the results are of interest.

This committee of distinguished scholars was headed by Major Frank Monaghan, formerly professor of history at Yale, and included Dr. Carl L. Becker of Cornell, Dr. Arthur C. Cole of Western Reserve, Dr. Henry S. Commager of Columbia, Dr. Edward Mead Earle and Dr. Elias A. Lowe of the Institute for Advanced Study at Princeton, Dr. Louis R. Gottschalk and Dr. Bernadotte Schmitt of the University of Chicago, Dr. Dumas Malone of Harvard and Dr. James Duane Squires of Colby Junior College.

The project which this group was asked to undertake was the examination, under appropriate security conditions, of all secret and confidential intelligence material in our possession, its appraisal with respect to present German war potential and the influence thereon of allied air operations and an analysis of the German position in 1943 as compared with 1918.

The committee's report, just submitted, will, I think, be as interesting to you as to me and I am accordingly sending you a copy. You will observe the conclusion, in which I concur, that there is no substantial evidence that Germany can be bombed out of the war within the next three months; and the view of the committee that, in relation to operations presently scheduled, surrender will come when, through lack of adequate air defense, Germany finds herself unable to maintain resistance to ground operations or prevent destruction by aerial bombardment of her industries, cities and communications. The contribution of past and contemplated air operations to the development of this fundamental German weakness is taken up in considerable detail. I believe the report tends to confirm our essential theses of the use and effect of air power and our own findings as to the results of operations to date.

Respectfully yours,

H. H. Arnold

H. H. ARNOLD,
General, U. S. Army,
Commanding General, Army Air Forces.

Incl:
Rpt. "Germany's War
Potential", Jan. 1944.



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January 7, 1944.

CONTENTS OF BOX NO. "NAP-1" FORWARDED TO THE FRANKLIN
D. ROOSEVELT LIBRARY, HYDE PARK, N.Y.

This box contains twenty-four (24) bound volumes, as follows:

A Brief of the reports submitted by various Naval Attaches on "Estimates of Potential Military Strength" and thirteen (13) bound volumes of supporting documents.

A Brief of the reports submitted by various Naval Attaches on "Probability of an Outbreak of War" and nine (9) bound volumes of supporting documents.

At the President's direction, the following instructions have been printed on the outside of this box:

"NOT TO BE OPENED UNTIL AFTER THE WAR,
OR UNTIL 1953."

THESE FILES CONTAIN SECRET MATTER AND SPECIAL CARE AS REGARDS THEIR HANDLING AND STOWAGE MUST BE TAKEN TO ENSURE THEIR SAFETY AT ALL TIMES AND THAT THEIR SECURITY IS NOT VIOLATED.

Wilson Brown,
Rear Admiral, U.S.N.,
Naval Aide to the President.

Miss Margaret L. Suckley,
The Franklin D. Roosevelt Library,
Hyde Park, New York

December 30, 1943.

Dear Miss Suckley,

Acting on the President's instructions, I have had a number of his personal war files boxed, which I shall have forwarded to you via the next regular means of transportation, for safekeeping at the Library. For matter of record I have had this box numbered "NAP-1" and a manifest of the contents thereof will be furnished you under separate cover. At the President's direction, the outside of the box has been further marked, "Not to be opened until after the war, or until 1953."

I should like to invite your personal attention to the fact that these files contain secret matter and that special care as regards their handling and stowage must be taken to ensure their safety and that their security is not violated.

Will you please advise me when this box has been received by you at the Library?

With all good wishes for the New Year,

Sincerely yours,

Wilson Brown,
Rear Admiral, U.S.N.,
Naval Aide to the President.

Miss Margaret L. Suckley,
The Franklin D. Roosevelt Library,
Hyde Park, New York

**THE WHITE HOUSE
WASHINGTON**

December 23, 1943

MEMORANDUM FOR

ADMIRAL BROWN:

If you want to get rid of some of these files, they could be specially boxed, not to be opened until after the war or until 1953 and sent to the Library.

F.D.R.

W.A.

THE WHITE HOUSE
WASHINGTON

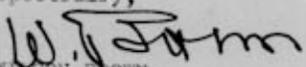
December 17, 1943.

MEMORANDUM FOR:

The President.

These documents are now in my office and,
unless otherwise directed, will be made part of
the President's Confidential War Files.

Very respectfully,


WILSON BROWN.

THE SECRETARY OF THE NAVY
WASHINGTON

Serial 02367616

8 NOV 1949

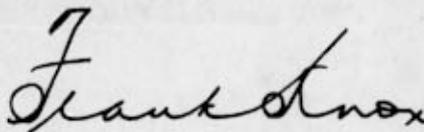
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My dear Mr. President:

On August 14, in accordance with your letter dated July 14, there were forwarded compilations covering "Probability of an Outbreak of War" and "Estimate of Potential Military Strength", based on reports received from various Naval Attaches. Subsequently, instructions were received indicating that the material submitted should have included photostatic copies of the original reports from the Naval Attaches, and that the brief digests of such reports should be annotated to afford easy reference to the reports themselves.

Accordingly, I am sending you herewith, by messenger, the revised compilations. This material consists of twenty-four volumes: (a) a brief of the reports submitted on "Estimates of Potential Military Strength" and thirteen bound volumes of supporting documents; (b) a brief of the reports submitted on "Probability of an Outbreak of War" and nine bound volumes of supporting documents.

Yours sincerely,



The President

The White House

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December 17, 1943.

MEMORANDUM FOR:

The President.

These documents are now in my office and,
unless otherwise directed will be made part of
the President's Confidential War Files.

Very respectfully,

WILSON BROWN.

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WAR DEPARTMENT
THE CHIEF OF STAFF
WASHINGTON, D. C.

September 2, 1943

MEMORANDUM FOR THE PRESIDENT:

Subject: Axis War Potential.

In accordance with your memorandum of July 14, 1943, there are enclosed copies of Military Attache dispatches dealing with the preparations for war by Germany, Italy and Japan, and their aggressive intentions on the continents of Europe and Asia from January 1, 1937. Similar documents bearing on Bulgaria, Austria, Occupied France, Belgium, England and Russia are also included.

For easy reference the documents, which comprise 56 volumes, have been summarized in two folders attached as Tab A and Tab B. Also attached is a portion of a report submitted by Colonel Truman Smith on November 1, 1937, which is believed to be particularly significant. Colonel Smith's full report is included in the bound volumes.

In addition, there are thousands of miscellaneous dispatches and other documents which touch incidentally on German, Italian and Japanese war preparations, but since they are not particularly pertinent to an historical analysis, I have not forwarded them. During the summer and fall of 1941, G-2 secured from highly secret sources considerable information indicating Japan's determination to resort to armed force in the event that the negotiations between Secretary Hull and Ambassador Nomura, then being conducted, did not result in an agreement satisfactory to Japan. In the interests of security they will not be forwarded unless especially desired. In the case of the document collection pertaining to Germany, a few very important dispatches have been included dealing with the period 1935 to 1936, inasmuch as these were the years of the largest and most rapid military expansion.


Chief of Staff.

Encs.

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M.I.D. Report

Report of Major Truman Smith
General Estimate as of
Nov. 1, 1937.

Germany is once more a world power in the air. Her air force and her air industry have emerged from the kindergarten stage. Full manhood will still not be reached for three years.

The astounding growth of German air power from a zero level to its present status in a brief four years must be accounted one of the most important world events of our time. What it portends for Europe is something no-one today can foretell and must be left as a problem for future historians.

The reasons which have permitted this miraculous outburst of national energy in the air field are many. Among them are certain which demand special emphasis.

These are:

1. The military aptitude of the German people.
2. The technical and scientific skill of the race.
3. The vision of General Goering who from the start planned a fantastically large Air Force and Air Industry and who at the same time possessed the energy to convert his plans into reality.
4. The unified direction and execution made possible by the dictatorial nature of the German Government.
5. The wise realization of the German air authorities at the start of their rearmament that other nations, especially the United States, were far in advance of them, both in scientific knowledge and technical skill. This humbleness of spirit has been one of the chief strengths of Germany. The old adage that self-dissatisfaction is true strength has never been better exemplified than in the German air development from 1933 to 1937.

It is difficult to express in a few words the literally amazing size of the German air industry. The twenty-three known airplane concerns, with their forty-six identified plants, have a potential annual plane production of probably 6,000 planes. There is every reason to believe that the plants identified only give a part of the picture and that the truth, could it be known, would show a still higher potential production. The scale of the German airplane motor industry is no less impressive. It is

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ever and again the size of this industry, which forces the foreigner, - and even the American who is accustomed to think in big terms - to pause, ponder and wonder as to the future.

Behind this industry stands a formidable group of air scientists, with large and well equipped laboratories and test fields, constantly pushing forward the German scientific advance. This advance is remarkable. The fact that the United States still leads in its air science and manufacturing skill must not be allowed to overshadow the German achievements between 1933 and 1937 and above all, not to lead to an underestimate of what Germany will achieve in the future.

In four brief years, Germany could not accomplish everything. The extraordinary technical excellence of American aviation has been built up as a result of 19 years' uninterrupted progress since the Armistice. To equal this accomplishment in 48 months would be miraculous. In truth, it has not been achieved. Yet, because on November 1, 1937 the American technical level, which is but one phase of air power, has not been reached, is no ground for the United States to adopt the British policy of smugness. If so, we shall be as doomed to the same position of air inferiority with respect to Germany as France now finds herself in and which Great Britain just as certainly will find herself in tomorrow -- unless she realizes promptly her own shortcomings.

The German air power of today has attained the following level of achievements:

Science:

Large and well equipped laboratories and test fields, manned by the best men in their fields the nation possesses, who scrutinize every development in foreign countries, for possible utilization by their own air force and air industry.

Industry:

Twenty-three airplane concerns with at least forty-six factories, all operating under state directions and required to manufacture whatever plane is adopted by the Air Ministry. These factories are modernly constructed and operated with modern manufacturing methods.

Thirteen airplane motor concerns with at least eighteen factories operating like the airplane factories under state direction. These factories are as modern as those for aircraft.

A large number of firms engaged in the production of instruments. These firms, hitherto backward, may from now on be counted on to rapidly cut down the lead, which similar American firms still possess today.

The German Air industry has been strategically located and each factory has been designed on tactical principles. Factories are located

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as far back from the frontier as possible and the new factories, while many, are relatively small. The principle of factory design is that there may be many separate and small buildings, each with separate power plant and bomb and gas-proof chambers. Each is designed to operate as a complete airplane factory in time of emergency. This layout of industry, which gives it great defensive strength against hostile air attacks, must be reckoned an important element of German air industry and air power.

Airplanes and Airplane Motors.

The major first line planes of the German air force which are now being produced in series are:

Heavy Bombers: The two-motored Heinkel 111 with a speed of 250 miles per hour and a disposable load of 5,000 lbs.

Light Bombers: The two-motored Dornier 17 with a speed of 270 miles per hour and a disposable load of 2000 lbs.

Pursuit: The single engined HF 109 Messerschmidt with a speed of 325 miles per hour at critical altitude.

Outmoded planes are declared obsolete with astounding promptness. Thus, the two year old JU 86, a heavy bomber, has been declared obsolescent and military manufacture has ceased.

The two motors now reaching a production stage include the:

Daimler Benz 601, a liquid-cooled gasoline motor of 1100 HP.

Junkers 211, a liquid-cooled gasoline motor of 1100 HP.

Three of the four 1937 scientific prizes of the Lilienthal Society were awarded to the engineers of these two motors.

All air-cooled motors of similar power appear to be still in various stages of test. Germany has many motors of lesser horse-power, which appear to be of average quality.

Strength of Air Force.

The actual November 1st strength of the German Air Force is probably from 175 to 225 squadrons. If we take a mean between these figures of 200 squadrons, we find Germany to at present possess

1800 first line planes in units,
600 first line planes in reserve units

or a total of 2400 planes.

No estimate can be made on the number of first line planes in depots.

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The personnel of the German Air Force, including its integral antiaircraft and ground signal units, may be estimated at between 80,000 and 100,000. The strength of the flying corps proper is probably between 35,000 and 50,000.

The German Air Force of November 1, 1937, possesses at least 174 nine-plane squadrons, each with 3 additional planes in reserve within the squadrons. These squadrons have actually been identified.

From 30 to 50% of these squadrons are now equipped with modern airplanes of the type listed above.

The level of flying ability reached by the German air power still leaves much to be desired, both by our standards and theirs also. While good potential pilots, the Germans must still be rated as unrefined. However, they have made great progress since 1933. The present flying of units would be still better were it not for the air force expansion. Units have given up about half of their trained men every six months to form new units. There is also a marked shortage of efficient squadron and group commanders, which has adversely affected training standards. These momentary German difficulties must not be allowed to obscure the certainty that these deficiencies will gradually cease to exist. If any foreign country feels self-satisfied in the matter of the superiority of its training, it will receive a rude awakening in the not too distant future.

In general, the German air power has now reached a stage where it must be given serious consideration as a powerful opponent by any single nation. Qualified officers who have had the opportunity to inspect recently the British, German and French air forces believe that:

1. Technically Germany has outdistanced France in practically all fields.
2. Germany is, on the whole, superior to Great Britain in the quality of her planes, but is still slightly inferior to Great Britain in motors, but rapidly closing the gap.
3. Both Great Britain and France are still superior to Germany in the training levels of their respective Air Forces, but Germany has cut down greatly the gap separating her from these rivals, during the past 12 months.

A highly competent observer, well acquainted with both American and German air developments, estimates that if the present progress curves of these two nations should continue as they have in the past two years, Germany should obtain technical parity with the USA by 1941 or 1942. If, however, America makes a single blunder, or if some important incident, whether political or a conflict of views within the armed forces, should slow down her present development, German air superiority will be realized still sooner.

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In November 1937 it appears that the development of German air power is a European phenomenon of the first diplomatic importance. The upward movement is still gaining momentum.

/s/ Truman Smith
Truman Smith,
Major, G.S.,
Military Attache.

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(AS)

August 16, 1945

(SU)AS-2/27
Serial 025800A
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My dear Mr. President:

On July 14 you expressed a desire for copies of the dispatches of our Naval Attaches which estimate or express any opinion regarding the outbreak of war, or reference in any way to estimates of military strength of the countries involved. These dispatches are to cover a period from January 1, 1937 until the time the Naval Attaches left Germany, Japan, Italy, Bulgaria, Austria, Occupied France and Belgium. The similar dispatches from England are also requested.

I am sending you, herewith, by messenger all the reports requested.

Yours sincerely,

Frank Knox

The President
The White House

9/16/43
enclosure returned to
oni, with info that may
should get in touch with
col. Maguire (Army 2828)
and make report in same
form that Army has,
Rj

THE SECRETARY OF THE NAVY

WASHINGTON

August 16, 1943

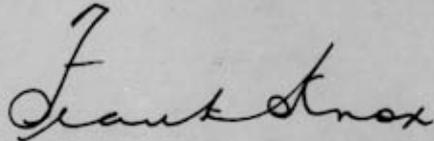
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Yours sincerely,



Frank Knox

The President

The White House

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By Authority of The Commanding General Army Air Forces	
..... Date Initials

GERMANY'S

WAR POTENTIAL

DECEMBER 1943

AN APPRAISAL

BY

THE COMMITTEE OF HISTORIANS

for the

COMMANDING GENERAL OF THE ARMY AIR FORCES

Revision of 18 January 1944

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C O N T E N T S

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NOTE OF TRANSMITTAL

The following pages contain the report of the Committee of Historians which was assembled at the direction of the Commanding General of the Army Air Forces for the purpose of preparing, on the basis of "all available information from operation reports, State Department reports and Intelligence reports as objective an analysis as possible of the effect of Allied bombings, military reverses, war casualties, reduced standards of living, etc., on Germany and German morale, and of attempting to appraise future developments under continuation of Allied military and economic pressure."

When the Committee was assembled and before it had begun its work the purpose and the details of the regulations concerning security were carefully explained and during all the activities of the Committee scrupulous safeguards were taken to guarantee this security problem.

During their investigations the members of the Committee examined thousands of pages of secret and confidential material. More than thirty experts gave them, in personal conferences, the benefit of their valuable specialized knowledge. Various agencies and services graciously and generously cooperated with the Committee so that its members had ready access to all the information to the object of its inquiry.

One important fact is nowhere specifically stated or emphasized in the body of the report and it would be unfair to the

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Committee if it did not become a part of the record. The Committee wished to state that their conclusions were based primarily upon the information and opinions to which they had access. The Committee was acutely aware of various inadequacies and gaps in the information the members would greatly like to have had. The members recognize that there are intangibles and imponderables in war which cannot be assessed but which may be more nearly decisive than any of the purely military, economic or psychological factors now apparent. Not all the truth can be discerned in even the best intelligence reports, since we always operate through the "fog of war." In March and again in June 1918, for example, the best judgment of Allied political and military leaders was that Germany was perilously close to winning the war and that, according to the most optimistic estimate of the situation, the war would continue well into 1919. We know now, however, that Germany was putting forth her last effort and was, in fact, close to a state of collapse after the Allied offensive at Soissons in July 1918. By any logical analysis, the situations of 1918 and 1944 are not analogous, but we can by no means be certain.

The possible effects of the new and devastating weapon of air power cannot be evaluated on the basis of historical experience. The German blitz over England was terminated too early and was too limited in its intensity to provide an effective historical analogy that might now apply to Germany. The present Allied bombing of Germany will either force us to relocate the

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last ragged edge of human fortitude or prepare us for the sudden and startling collapse of the most powerful of the aggressor nations.

FRANK MONAGHAN,
Major, AUS
Officer-In-Charge

Committee of Historians who prepared this
report was composed of the following:

Carl L. Becker
Cornell University

Elias A. Lowe
Institute for Advanced
Study, Princeton

Arthur C. Cole
Western Reserve
University

Dumas Malone
Harvard University

Henry S. Commager
Columbia University

Bernadotte Schmitt
University of Chicago

Edward Mead Earle
Institute for Advanced
Study, Princeton

James Duane Squires
Colby Junior College

Louis R. Gottschalk
University of Chicago

Frank Monaghan
Major, AUS
Chairman

CONCLUSIONS

1. There is no conclusive evidence that the defeat of Germany is imminent or that the German will or ability to resist present Allied military pressures has been fatally impaired.

2. Although the blockade and bombing have deranged Germany's economic structure, German military economy has not yet been crippled at any vital point.

3. Germany was mobilized for total war for several years prior to 1939. This is a source of strength in the sense that all German effort has been directed with a single-minded purpose and with ruthless efficiency. It is a source of weakness in the sense that all fat has long since disappeared from German economy and that the German people and the German industrial and communications system have suffered longer than any other from the wear and tear of war.

4. Although German economy is declining or, at best, barely holding its own, the Allied war potential, especially that of the United States, is increasing and can outstrip any conceivable effort which the Axis can put forth.

5. The German military machine has been shaken by defeats, but it is still a formidable fighting force. It cannot hope, however, to keep pace with the growth of Allied military power.

6. Germany's most serious actual military weakness is her relative declining air strength. This weakness makes it impossible for Germany to resume the offensive with any likelihood of success and it will, unless speedily remedied, make her peculiarly vulnerable to land attacks and to the further destruction of her vital war economy.

7. Germany's most serious potential weakness lies in her manpower deficiencies. By the large-scale use of conscript and foreign labor Germany has so far been able to solve temporarily her most pressing manpower problems, particularly in the fields of agriculture and industry, but it is probable that she has now exhausted her reserves. Intensified aerial bombardment and increased military casualties are compelling her to exploit inferior manpower for both military and production purposes.

8. There is no evidence that the German will to resist was seriously weakened by the bombing prior to the summer of 1943. The aerial offensive of the autumn of 1943 and the threat of still more intensified bombing in 1944, have caused a deterioration in general civilian morale, while the Russian offensive and the signal success of the Army Air Force and the Royal Air Force in aerial combat have had a demoralizing effect upon the German Army and Air Force.

9. The complete and highly organized control of the Nazi Party gives no encouragement to the hope that any political upheaval can be anticipated in Germany in the near future.

10. Although bombing has made a vital contribution to

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the ultimate defeat of Germany and although complete defeat cannot be achieved without an acceleration and intensification of bombing, it is improbable that bombing alone can bring about a German collapse by spring of 1944.

11. British and American aerial warfare has prepared the way for and will be an essential and integral part of the invasion of Western Europe to which the Allies are committed and which is essential for the defeat of Germany at an early date.

12. Superficially, the situation in the closing days of 1943 seems to resemble that of 1918, but basically, the analogy is unsound.

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PART I

ECONOMIC SITUATION

The inevitable wear and tear of four years of war, military reverses in Russia and the Mediterranean and Allied aerial bombing have shaken Nazi economy, but they have not yet shattered it to the point where its collapse can be considered imminent.

CIVILIAN ECONOMY

Regarding FOOD, Germans are still far from being on starvation rations and are certainly not in a condition comparable with 1918. In 1943 Axis Europe had good harvests of which a significant portion went to the Reich. German sugar rations are about equal to those currently prevailing in the United States. Special allocations of high caloric value are made for night workers and workers in heavy industries. Drastic controls over agriculture requiring delivery of foodstuffs to the Nazi authorities have insured a generally satisfactory flow of supplies to the consumer. German rations are monotonous, but only in meats and fats is there any serious reduction from pre-war levels. Vitamin deficiencies which would ordinarily result

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from such shortages have been largely compensated for by synthetic preparations.

Although HEALTH conditions in Germany have undoubtedly deteriorated as a result of four years of war, they do not yet present a threat to the Nazi war effort. With the exception of the influenza currently sweeping Germany, no serious epidemics have developed in the Reich proper; the incidence of ordinary diseases is not significantly high.

The German HOUSING SITUATION, under the impact of Allied aerial bombardment, has become acute. The living quarters of over 10,000,000 people in more than forty cities have been damaged; 2,500,000 of these persons have actually been rendered homeless. In those German cities attacked by the Royal Air Force one-quarter of the total built-up area has been devastated. On the other hand, mass production of simple prefabricated houses, extensive "evacuation camps," general "doubling-up" in living accommodations, and the absence in the armed forces of several million Germans are factors which have made available a considerable quantity of housing space with which to meet the emergency. Attempts to overcome the housing shortage put a severe strain on German manpower and require materials badly needed elsewhere in the war effort. It is estimated that 6 $\frac{1}{2}$ % of the entire German labor force is now engaged in rehabilitation work necessitated by bombing. Notwithstanding this substantial

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subtraction from the war effort, however, there is no convincing proof that the housing shortage to date has seriously curtailed German war production.

CONSUMER GOODS, chiefly because of aerial attack, are inadequate in quantity and quality. Throughout Germany, as elsewhere in Axis Europe, strict rationing is the rule. Recent Royal Air Force attacks have caused widespread destruction of stores and shops so that the normal distribution of clothing for adult civilians has been curtailed for an indefinite period. Likewise, window-glass, building materials, shoes, soap and many other common items have become almost impossible to obtain. These shortages will increase as the bombing campaign progresses.

Briefly: German civilian life at the end of 1943 has, under enemy pressures, become drab, monotonous and increasingly unpleasant. Civilian shortages, however, are critical only if they really interfere with prosecution of the war. This condition is not yet present in Germany.

M I L I T A R Y E C O N O M Y

Notwithstanding severe losses in Russia, reverses in the Mediterranean area and the heavy pounding from the air, the overall position in RAW MATERIALS has not yet become stringent. Copper and ferro-alloy metals are certainly short. But, otherwise many of the effects of Allied blockade, unlike those of 1914-18,

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have been countered by synthetic industries, especially rubber and oil, which the Germans have developed despite the high cost in manpower. Losses sustained by the Reich proper as a consequence of strategic bombing are partly compensated for by continental reserves available to the Germans as a result of previous conquests. Germany can today count upon the resources of France, the Balkan area, a part of the U.S.S.R., much of Italy, the Baltic States, Poland, Czechoslovakia, Austria, Hungary, the Low Countries, and half of Scandinavia, in addition to significant material aid from the neutrals Spain, Portugal, Turkey, Sweden, and Switzerland. Despite the heavy attack of 3 August 1943 on the Ploesti oil refineries, which destroyed a portion of surplus Axis refining capacity, Germany is at present obtaining as great a quantity of oil products from Rumania as she ever did. A half of the German nickel supply, three-fourths of its iron ore, seven-tenths of its molybdenum, and more than 80% of its bauxite, chrome, mercury, and tungsten are imported from outside Germany proper.

Germany's TRANSPORTATION system may well prove to be a serious threat to the Nazi war effort. Some considerable reduction in the supply of trucks and tires has been effected by Allied air attacks upon German synthetic rubber factories and tire plants. The completion of the canalization of a considerable stretch of the upper Elbe has augmented the inland waterways system which carries an important part of

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Germany's internal traffic. But it is also an indication of the inadequacy of railroad transportation. The German railway system may again become one of the chief elements of disaster. The Nazis seized large quantities of rolling stock and locomotives from the conquered countries and have virtually integrated the railways of Western Europe into a single system. In 1943 Germany still had an apparently adequate number of locomotives and surplus quantities of rolling stock. Seemingly the railroads have, in general, been able to meet the essential demands of the Nazi military and economic requirements. But, in spite of the fact that all civilian traffic has been drastically curtailed, there are many indications that, as in 1917-1918, lack of transportation has prevented materials from reaching war plants and has interrupted production schedules.

Here, as in 1918, the apparent situation may be far from the real situation. In 1918, on paper, the railway system seemed to be in better condition than it had been in 1914; the Germans had, in numbers, more locomotives and rolling stock than they had in 1914. Yet Ludendorff himself admitted that the serious breakdown of transportation was a major cause of the collapse of the Imperial military machine. Today the German railway system has fewer advantages than during World War I. When the Nazis plunged into war in 1939, the railroads, which had for several years been operating under the stress of what was equivalent to a war schedule, were not, as they had been in 1914, in first-

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class condition. Her present far-flung fronts, actual and potential, deprive her of much of the advantage that confiscated equipment from occupied countries might otherwise have given her. And, unlike the situation of 1914-1918, sabotage in occupied countries has damaged and destroyed much basic equipment. Aerial bombing during World War I did no essential damage to the German railway system, but during the present war German locomotives and railway centers have provided choice and easy targets for destruction from the air. A new factor never present during World War I has been the additional load placed upon German railways by the general disruption of the German economic system - especially the mass migration of industrial population and the relocation of some industry - resulting from aerial attack.

The intense aerial bombardment of Germany during 1943 and the prospects for its increase during the coming months has speeded German efforts for a strategic relocation of their industry which began in 1941 and was rapidly accelerated in 1943. While an important industrial area in the East, comprising parts of Silesia, Slovakia, Galicia and Hungary has not yet been reached by Royal Air Force and American Air Force attack, Allied exploitation of air bases in Italy will bring this region within reach of effective bombing.

Because of this vulnerability from Italy, another German effort at strategic relocation of war industries along

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the lower Danube and in the Balkans is already a failure. Some of the important industrial developments rushed to completion in this region during 1942-43 have been attacked or shortly will be. Among such targets are the largest aircraft engine plants in Europe at Wiener Neudorff and the second largest assembly plant for single-engine fighters at Wiener Neustadt. Similarly important industrial developments include many small aircraft plants and assembly systems scattered through Hungary, Yugoslavia, Rumania and Bulgaria; the oil fields of Poland, Austria and Hungary; and chemical works and synthetic industries of I.G. Farben in the lower Danube valley.

Germany's war potential after four years of war has been strained to the uttermost, and it is certain that most of the elasticity in her military economy has now disappeared. Overall industrial production in 1943, primarily as a result of Allied bombings, declined from 10 to 15 percent. Yet in some lines of military essentials, such as fighter aircraft, tanks, and anti-aircraft and anti-tank guns, production either equalled or actually surpassed that of 1942. Outstanding is the example of single-engine fighter aircraft production. In 1942, the German High Command decided on a heavy single-engine and twin-engine fighter expansion for 1943 and 1944 and gave such output the highest priority rating. The result was that in 1943 German fighter aircraft production rose noticeably. This accomplishment, however, should be weighed against at least three

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other facts: (1) it was achieved only by a sacrifice of production in other types of aircraft and in essential consumer goods; (2) it was still insufficient to meet the needs of the German Air Force especially as contrasted with the greater rate of aircraft production in the United Nations; (3) because of the American Air Force attacks on assembly plants and other targets in the aircraft industry, during the latter part of 1943, it was progressively lower than the schedule planned by the German High Command.

The drastic efforts required to build up fighter production for the German Air Force are an excellent illustration of the problem of estimating the German war potential for 1944. Germany at the end of 1943 is still able to produce adequate supplies of high-grade war material for as large an army as German manpower can furnish. But an increase in one line must henceforth be paid for by a corresponding loss in another. By robbing Peter the Nazis can still, for a limited time, appear to pay Paul. The overall limits of German war production have already been reached and passed, and under the impact of accelerated Allied bombing even limited increases in certain fields may be expected to become increasingly difficult. Whether strategic bombing can totally destroy Germany's economic system is not the point at issue. Certainly increased aerial bombing will multiply the difficulties facing German labor and cause a decline in production. Both of these accomplishments will make markedly easier

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the military tasks involved in defeating the Nazis.

MANPOWER

The most serious effect of the war upon the German economic system to date has been the destruction of an important part of Germany's manpower. This has occurred in two ways - direct and indirect. By "direct manpower loss" is meant that reduction of labor which comes from the death, disability or military conscription of workers. By "indirect manpower loss" is meant that reduction which comes from temporary unemployment or inefficient use of labor.

The indirect loss has been estimated at 11,500,000 man-months for the period January - November 1943. It results chiefly from Royal Air Force and American Air Force raids, which have destroyed factories, machinery, tools, draft animals and houses; disrupted administration and management; scattered records; thrown transportation and communications into confusion; created general alarm and caused the evacuation of whole populations. Thus, well-organized systems have become disorganized. In addition, individuals have become the victims of sleeplessness, worry, and fatigue. Wholesale absenteeism and low-grade performance have followed. This subtraction of labor from Germany's war effort is reflected not merely in a proportionate diminution of production, but also in accumulating inefficiency.

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Indirect manpower loss is, however, small compared to the reduction of manpower by the actual death of laborers. Air raids are known to have killed many, though estimates vary greatly. The German press last summer admitted 4,000 deaths in the Cologne raids of June and July, and 28,000 deaths in Hamburg a few weeks later. Those admissions have been estimated by some observers to be only 50% of the true total. Now that the casualties of the autumn and winter raids must be added to those figures, it is likely that the number of deaths directly attributable to Allied air raids runs into the hundreds of thousands. Not all these were able-bodied workers; but even if allowance is made for casualties among the young, the old and the decrepit, another significant loss of manpower has occurred.

The manpower shortage in Germany, however serious it may be in industry, is still more acute as it affects military requirements. It has been estimated, at the present level of war casualties, that considerably more men are permanently lost to the German Army each month than are replaced from the incoming military class. This inescapable gap between German military losses and recruitments has compelled the Nazi High Command to "comb out" industry for extra recruits and to retain older and less efficient men in the armed forces. Further proof of the seriousness of the military manpower shortage is Germany's draft of soldiers from certain of the satellite nations and the use of "volunteers" from some of the occupied countries and from Spain.

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In the fifth year of the war this growing inadequacy of German manpower to meet the essential demands of the military is the crux of a most serious problem for the Reich. When the tempo of military operations is stepped up, as it will be in 1944, the shortage of military manpower will threaten the capacity of the German Army to continue effective resistance.

Every man who enters the army means one less German worker for Nazi industry. The adult male labor supply among German citizens has proved inadequate. In an effort to compensate for this shortage, laborers have been and are being requisitioned from the conquered countries. For example, about 250,000 French workers are conscripted each year; and Italy, Poland and other conquered areas provide additional labor. The most reliable estimate of alien workers currently employed by German industry lies somewhere between six million and seven million including one and one-half million prisoners of war. Some Reich industries now employ more foreigners than Germans.

Despite regimentation and strict supervision, however, these drafted workers are not so productive as an equal number of Germans would be. The very process of regimenting the imported laborers requires supervisors, guards and jailers who might otherwise be used elsewhere. Underground sources indicate that the foreigners systematically resort to slow-down, evasion and even sabotage. In fact, German fellow-workers are reported

sometimes to join with them in slowing up production because they fear that a rapid filling of orders will result in their own conscription. Moreover, the dread of this huge alien element as a potential "Trojan Horse" has had a disturbing effect upon many Germans.

The use of old and handicapped men and of women and children in German industry also offsets some of the loss of able-bodied manpower. So likewise, at least for short periods, do drastic "speed-ups" in the factories. How many man-hours are thus gained cannot be guessed. That it is less than Germany needs is illustrated by a recent propaganda campaign urging German women to imitate enemy women by working in the factories. The advantages to be derived from the employment of the old, the feeble, and women and children, however, are counter-balanced by the fact that these categories of laborers are not only the least hardy but are also the first to be evacuated after air raids. In such cases, they remain temporarily unemployed for long periods at a time. Expansion of the German labor potential would therefore appear to be possible only through the development of new labor-saving devices and more efficient industrial organization.

C O N C L U S I O N S

1. German civilian economy is suffering from critical

shortages and qualitative deterioration of consumer goods -- the result both of a rigid war economy and of devastating air attacks.

2. Such shortages and deterioration do not, however, extend to essential war materials; at no point has direct war production suffered a crippling blow.

3. German manpower losses in industry and agriculture have been largely offset by foreign labor which is however less efficient and less loyal.

4. German military manpower presents the German General Staff with an insoluble problem.

5. German military and civilian economy has reached and passed its peak. Expanded production of high-priority materials can be effected only at the loss of production of other essential types.

6. German economy is barely holding its own while the Allied war potential, especially that of the United States, is increasing. Inasmuch as military power is a relative thing, German strength may be said to have undergone a serious decline, which is being rapidly accelerated.

7. Nevertheless, the German people are totally mobilized for total war and therefore possess an element of strength which has not yet been achieved in the United States. Had it not been for the all-out Russian and British efforts, the discrepancy between the intensity of the German and of the American efforts would be more strikingly apparent.

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PART II

POLITICAL SITUATION

Whatever the resources at the command of the Nazis the effectiveness with which they can be used depends upon the ability of the German Government to maintain firm political control of Germany and of the satellite and conquered countries. To all intents and purposes the German Government consists of the National Socialist Party of which Hitler is the supreme and undisputed leader. On what solid or fragile foundations does the power of Hitler and the National Socialist Party rest? Are these foundations being, or are they likely in the immediate future to be, seriously undermined?

Generally speaking, the power of the German Government in the satellite and conquered countries rests upon sheer military force. In Germany, it rests partly on sheer force and partly on active or passive popular support.

1. GERMAN CONTROL OF SATELLITE AND CONQUERED COUNTRIES:

In the satellite countries the governments are nominally independent, and are supported by some sections of the people; but their support of Germany is the result either of German military occupation and pressure or of the original conviction that Germany would win the war. Now that Germany seems certain to lose the war, the satellite governments are less disposed to cooperate. The satellite states are, politically speaking, potential liabilities rather than assets; they are all ready, at the first

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opportunity to withdraw their military and political support from Germany.

In the conquered countries there are "shadow" governments, manned by "Quislings" and "collaborators;" but the overwhelming majority of the people are bitterly opposed to German occupation and control and a considerable majority are engaged in active or passive resistance. Such resistance has always made it difficult for Germany to command fully the economic and military resources of these countries and the difficulty becomes greater week by week. In all conquered countries, even in tiny Luxembourg, sabotage is constant and is increasing, and the underground is becoming more active and better organized. German control of conquered countries is still effective, but a greater effort is being required to maintain it. As soon as any concerted action is possible, these countries will be transformed into embittered and dangerous enemies.

2. STRENGTH OF THE NAZI PARTY GOVERNMENT IN GERMANY: In Germany proper, the situation is much less simple. The power of the government (that is, Hitler and the National Socialist Party) rests to a much greater extent on active or passive popular support. In 1933-39, the Hitler regime was accepted by a majority of the German people, less because of its ideology than because of its achievements. A German, "an ordinary businessman," recently said that in 1933 he "went along" with Hitler and the National Socialist Party for two reasons chiefly - because the new regime abolished unemployment and improved business prosperity and because it restored Germany to a position of prestige and power in Europe. He had not, however, approved of the persecution of the

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Jews, the drastic interference in private business enterprise or the policy of aggression in Europe. He said that things had not turned out as he expected and that he was no longer in sympathy with Hitler or his policies; but he and his business had become so integrated with the economic and political system that no opposition was possible for him. It is safe to say that this represents the attitude of a great many Germans, perhaps the majority, during the pre-war period.

In September 1939 there was no marked popular enthusiasm for the war. Enthusiasm for the war and for Hitler and the National Socialist Party, naturally mounted during the rapid and spectacular victories of 1939-42; but it declined in a rather notable way after the loss of Stalingrad and North Africa. These reverses, together with the disastrous bombing of German cities and the growing conviction that Germany would not win the easy or complete victory promised by Hitler, Goering and Goebbles, have clearly given rise to a widespread feeling of discouragement, "war-weariness" and longing for peace. The enthusiasm for Hitler and the Party which prevailed during the years of easy victory is now turning to apathy and indifference.

Hitler and the Nazi Party are well aware of this growing discontent and discouragement. They have attempted to counteract it by propaganda; and Himmler, since his appointment as Minister of the Interior, has adopted more systematic and ruthless methods of suppressing all manifestations of opposition. But it would be a mistake to suppose that the growing indifference to politics or the criticism of Hitler and the Party have as yet seriously impaired

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the power of the government or notably slowed up the war effort. The question which now arises is whether under continued and accelerated Allied pressure, the desire of the German people to end the war will be sufficient to undermine or destroy the political power of Hitler and the National Socialist Party.

3. IS THE NAZI GOVERNMENT LIKELY TO COLLAPSE FROM INTERNAL WEAKNESS? Two general facts are relevant: (1) there is at present no widespread desire in Germany to get rid of the Nazi Government; (2) supposing such a desire to exist, there is no organized power except the Army that could get rid of it.

As the war becomes purely defensive the great majority of the German people feel that they are working and fighting to preserve the national unity and the political independence of Germany; and that, however much they may dislike the Nazi regime, the only way they can defend Germany and themselves at the present time is by supporting the existing government. They are persuaded that the defeat of Germany and the acceptance of "unconditional surrender" would mean the destruction of Germany as a political power. But they have an additional fear of the Russians. A Russian victory would not only destroy the power of Germany as a state but would personally destroy vast numbers of Germans. Threatened Russian reprisals and degrading political subjection would clearly be far worse than any continued submission to Hitler and the Nazi Party.

There is no conclusive evidence that British and American bombings of German cities have effectively weakened the general

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hold of the Nazi Government on the German people. The effect of the bombing has been to intensify the hatred of the bombed-out people for the British and the Americans rather than to weaken their support of Hitler and the National Socialist Party.

But even if a great number of Germans desired to overthrow the Hitler Government and the Nazi Party, it would be almost impossible for them to do so unless supported by the Army. The National Socialist Party (the only political party in Germany) is as systematic, ingenious and efficient an organization for regimenting the speech and conduct of a nation as has ever been devised. This organization is effectively controlled by members of the Party and persons loyal to it; and is supported not only by the regular police, but by the Elite guards, and especially by the Gestapo, a thoroughly armed and equipped army of nearly a million men, whose business it is to ferret out and ruthlessly suppress those who by speech or conduct exhibit any opposition to Hitler or the Nazi Party. The result is that, however much any considerable groups of Germans might wish to get rid of the Nazi regime, there is at present no possibility of creating an organized political opposition to that end.

The only organized power in Germany that could possibly overthrow the Nazi Government is the Army. But the attitude of the bulk of the Army to the Nazi Party is difficult to determine. The majority of the soldiers are probably neither strongly pro-Nazi nor strongly anti-Nazi, but more or less neutral or indifferent. It is safe to say, however, that there are throughout the

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Army enough fanatical Nazi soldiers and Gestapo agents to detect and crush any serious disaffection. In any case, the rank and file of the Army can accomplish nothing unless the officers and the High Command take the initiative. There have been many stories of disputes and rifts between the High Command and the Nazi leaders. These have been hopefully seized upon and exaggerated by sections of the Allied public who wish to believe that the High Command, to save its own neck, might sell Hitler out and take over political control of Germany. Undoubtedly many officers of the High Command have regarded Hitler as an uncouth interloper whose "intuitive" military strategy has provoked them to disdain and dismay. But to suppose that these minor differences constitute a deep rift is to indulge in an idle dream which ignores the facts of the past and of the present. Many of the high German officers are persons who either assisted Hitler in his rise to power or who were elevated to their ranks by Hitler himself. Following World War I the German High Command abandoned its traditional aloofness from politics and, in deviously effective ways, became an active political power. While its political influence has been superseded by that of the Nazi Party, the German generals and the Nazi leaders share a community of views and an identity of basic interests. Both groups face the serious threat of war guilt and atrocity trials at the hands of the Allies. Nazi officers, however much they may regard Nazi leaders as adventurers and upstarts, must realize that they are all foundering in the same boat. The Allies are equally determined to exterminate the

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Nazi Party and to destroy the German Army. So, by their own acts and by factors beyond their control, both groups find their fates linked together.

Only in the most improbable circumstances would the High Command be likely to attempt to overthrow the Nazi Government. Any such attempt would involve the destruction of the Gestapo, which is not merely a police force with revolvers in their holsters, but an Army fully equipped with the implements of war. To overthrow the Nazi Government at the present time would mean civil war and demoralization of the war effort on the military front. It is extremely unlikely that the German Army would consider so desperate an undertaking under any circumstances - much less when the only thing it could look forward to would be unconditional surrender to the Allied armies.

Hitler has also tightened the bonds between the Party and the Junkers and the big industrialists. Himmler, as Minister of the Interior, and Speer, as Director of War Economy, have been pursuing a policy of sharing the spoils by turning over to influential Junkers large estates in Poland, occupied Russia, and the Balkans, and by favoring in armament and munitions contracts only those industrialists who are members of the Herman Goering combine. This policy is designed to integrate the Junkers and the big industrialists with the Government and to implicate them in the general responsibility.

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CONCLUSIONS

PART III

1. Hitler and the National Socialist Party have lost a good deal of the popularity and prestige which they enjoyed until late 1942, but there is no widespread disaffection or desire to overthrow the Nazi Government.

2. There is, furthermore, no organized opposition capable of overthrowing the government and there is no good reason to suppose that the Army will attempt to overthrow it.

3. It is, therefore, extremely unlikely that the political control of Germany by Hitler and the National Socialist Party will collapse, or be seriously impaired, until the German Army is decisively defeated or until any further attempt to defend Fortress Europe becomes hopeless.

related. If fear and a sense of frustration continue to exist, if hopelessness gives way to apathy and lethargy, and if a positive attitude toward total prosecution of the war assumes nation-wide proportions, production of war materials will lag and the fighting spirit of the armed forces will be adversely affected and eventually undermined.

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In the German armed forces during the last six months there has been a marked decline in confidence of victory. The major specific cause of this is the campaign in Russia. A spirit of defeatism was manifested by officers captured in Africa, but

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PART III

MORALE

In discussing German morale, it is necessary to distinguish between the general sense in which the word is used and the specific sense in which it is applicable to German military power. Morale, in the specific sense, is the will to fight and resist. In the more general sense -- as when a man's morale is low or high, meaning thereby that the state of his feelings is depressed or elated -- morale is of little significance in present-day Germany, where this is disdainfully described as a "luxury of the democracies." Yet, the two types are not unrelated. If fear and a sense of frustration continue to mount; if hopelessness gives way to apathy and lethargy; and if a passive attitude toward total prosecution of the war assumes nationwide proportions, production of war materials will lag and the fighting spirit of the armed forces will be adversely affected and eventually undermined.

MILITARY MORALE

In the German armed forces during the last six months there has been a marked decline in confidence of victory. The major specific cause of this is the campaign in Russia. A spirit of defeatism was manifested by officers captured in Africa, but

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setbacks in the Mediterranean theatre have not been an irreparable blow to German morale. Diminished confidence in victory has been observed elsewhere, notably among captured submarine crews who were conscious of the failure of the U-boat campaign, and among captured aviators who were aware of the relative weakness of the German Air Force. Fears of a second front have increased doubts of victory. Ultimately factors such as these are certain to have corroding effects on the German army, especially in view of continued retreat and defeat on the Russian front.

The surrender of whole armies at Stalingrad and Tunisia must be interpreted in the light of the historic fact that between Jena, in 1806, and Stalingrad no German unit as large as a corps ever surrendered in the course of battle. Whatever has been the decline in self-confidence and fighting spirit of the German soldiers, however, there is no evidence that the basic discipline of the German army has been impaired. In view of the shortage of military manpower and increasing Allied military pressure, moreover, there will inevitably be a deterioration in the quality of the German armed forces.

Reports of air attacks on German cities have unquestionably disturbed soldiers at the front and will do so increasingly. During the summer of 1943, however, the fighting men retained confidence in the soundness of the home front.

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In the German Air Force there has been a noticeable deterioration in personnel, especially on the eastern and Mediterranean fronts, and a decline in self-confidence and aggressiveness. This is confirmed by reports of orders demanding an improvement in fighting spirit and threatening reductions in rank and the sending of pilots to the Russian front. The German Air Force is likely to crack whenever it is forced into major battle against great odds, as it would be by invasion from the West.

CIVILIAN MORALE

Among civilians, also, a significant decline in faith in victory was perceptible during the summer of 1943; and, as with the armed forces, the most important single cause was the war in Russia. The German people have not been aware of the unsatisfactory results of the U-boat campaign; and propagandists have successfully discounted the seriousness of the Italian debacle. However, the German press and radio have been unable to deny or disguise the fact that Germany is being increasingly isolated and besieged. Indeed, despite sporadic promises of secret weapons and reprisals, the Nazi leaders, including Hitler, have frankly admitted that the offensive era is at an end and that withdrawals from territories under German control are to be expected.

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Meanwhile, intensified air attack, especially area bombing by the Royal Air Force, have served as a repeated and terrifying reminder that the German homeland itself no longer is safe. Of the disorganizing results of mass attacks from the air and their effect in accentuating civilian ills, there is abundant testimony. Until the latter part of the summer of 1943, the psychological response in bombed areas appears to have been much the same as that observed earlier in England - namely, a stiffening of the will and an increase in hatred of the enemy. The psychological effects of the unparalleled attacks on Hamburg, Berlin, Hanover, and other cities during the late summer and early fall cannot yet be fully measured, but bombing of this scope and intensity is already producing a situation in which fear of the consequences of continuing the war is becoming greater than fear of the consequences of defeat. And the question remains as to the ability of the German people to carry on the war regardless of their will to do so.

The dangers inherent in the bombing of German cities and German industry have been perceived by the Nazi rulers. They have sought, by propaganda, by the effective organization of relief and by the institution of increasingly rigid controls to maintain the Nazi organization regardless of the state of the public mind. They, themselves, have said, "The system of National Socialism has been devised for the very purpose of making a repetition of 1918 impossible - that is, to make morale dispensable."

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On the other hand, there are limits to human endurance. These have not yet been reached, but the German will to resist, already subjected to the cumulative effect of years of strain, is almost certain to be broken as the result of intensified mass bombing, and further defeats on land, at sea, and in the air. Air attacks in particular will have more demoralizing effects upon civilians than any other form of military pressure except land fighting within the German homeland itself. Therefore, the continued and accelerated aerial bombardment of Germany is essential to an earlier victory.

From the tone of Nazi propaganda and of Hitler's latest speeches, there can be no doubt that the confidence of the Nazi leaders in victory has sharply declined. The expression "when we win" has been replaced by "if we lose;" and there are frequent references to the burning of bridges and "strength through fear." High Allied policy, however, leaves them no loophole of escape. There is to be no repetition of the war criminal "trials" travesty of the few that followed World War I. Hence their obvious policy is to identify others with themselves and to make their own fate seem inseparable from that of the German people. The chief Nazis will fight to the end like cornered rats; they will compel the support of the leaders of the army and industry until the end; and they will by propaganda and terror maintain control of the masses of the people.

contingent on further military defeat and the weakening effects of inferior replacements.

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ALLIED PROPAGANDA

By broadcasts, leaflets, and the pronouncements of Allied leaders we have attempted to undermine the German will to resist. Testimony of prisoners of war shows that Allied broadcasts are heard by many in Germany and in the occupied territories, despite severe penalties for "black-listening." Seventy million leaflets dropped by our planes appear to have had some effect in the declining faith in victory.

On the other hand, the term "unconditional surrender" has been shrewdly manipulated by Propaganda Minister Goebbels. He has sought, with apparent success, to frighten the German people into believing that the allies are planning to break up their nation and exterminate them as a people. But any Allied statement of a policy of lesser severity would lend itself to a similar distortion. And as is demonstrated in the Appendix, the Germans have so profitably distorted the record of 1918 as to make themselves less vulnerable now than then to psychological warfare.

CONCLUSIONS

(1) Confidence in victory has definitely declined in the German armed forces, but fundamental discipline has been maintained. Serious deterioration in the Army's will to fight is contingent on further military defeat and the weakening effects of inferior replacements.

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(2) Among civilians, confidence in victory has declined even more than in the armed forces and general morale has deteriorated, but not enough as yet to cripple the war effort.

(3) Bombing has already weakened the will to resist, but it is improbable that the German home front will collapse prior to the spring of 1944, assuming that Allied pressure remains only at its present level.

(4) However, intensified mass bombing, combined with successful land invasion during the course of which a major portion of the German Air Force will be destroyed and further successes of the Russians on the eastern front, will result in the disruption of the Nazi regime and the collapse of the German Reich.

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PART IV

THE MILITARY SITUATION

During the past fifteen months Germany has lost the initiative on land, at sea and in the air. Her serious reverses at Stalingrad and in North Africa have weakened her war potential and deprived her of strategic positions of primary importance. An air-sea team has removed the threat that the submarine might decide the war by disrupting Allied communications; as in 1917, the U-boat has failed to starve Britain or prevent the shipment overseas of American expeditionary forces and American supplies. The Mediterranean has been re-opened to Allied shipping and, despite admitted difficulties, the Murmansk route to Russia is still in use and is becoming less and less hazardous. The pressure of Anglo-American air power has compelled the diversion from Russia to the West of substantial numbers of planes which were desperately needed to support ground operations against the Red Army and against Allied forces in the Mediterranean.

The threat of rising Allied air power has further inhibited German strategy: Germany cannot shorten her lines in any theatre lest by so doing she yield to us air bases from which we can intensify the attack against her industry and her cities.

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She is therefore compelled to defend the whole of "Fortress Europe," with the inherent military liabilities of overextended fronts and of policing hostile peoples.

On the other hand, Germany has thus far prevented the establishment of a major front in Western Europe. By control of the entire Atlantic seaboard from the North Cape to the Pyrenees, Germany denies to the Allies a secure base of operations such as the United States and Britain had in France in 1917-18. Despite her efforts at national revival, France is not at present a factor of primary military importance to the spring campaigns of 1944. And the Netherlands, Denmark and Norway which in 1918, as neutrals, served to protect our sea flanks are now in the hands of the enemy.

In spite of disastrous reverses on the Russian and Mediterranean fronts, there has as yet been no breach in the German defense line in Europe. The nightmare of the German General Staff -- the possibility that Germany may have to fight simultaneously on several major fronts -- will become a reality only by large-scale invasion of Western Europe. Such an invasion will involve complicated and costly "triple-front" operations against strong natural positions, heavily fortified in depth. There is therefore reason to believe that Anglo-American casualties in 1944 will assume the proportions of the last war, when, to cite a single example, the British lost

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sixty thousand men on the first day of the Battle of the Somme (1 July 1916).

In one sense, however, an invasion of Western Europe already has taken place -- in the air. Indeed, for the first time in a century and a quarter (if we exclude unimportant exceptions) the war has been carried to the German homeland itself. German soil has been devastated and German civilians killed and maimed, so that the German people now understand, as they have not understood since the days of Napoleon, that war is not a one-way street. Although the sea blockade has been less effective than it was in 1914-18 (because Germany has access to the resources of all Europe) the air blockade seeks to achieve much the same end: to deprive Germany of the power to continue resistance at the fronts. American strategical bombing has wrought very severe -- although by no means critical or decisive -- damage to key German industrial installations. The Royal Air Force, by night area bombing, has devastated or destroyed the great industrial cities of Hamburg, Dusseldorf, Cologne, Hanover, Berlin, and others. Royal Air Force attacks have killed or wounded hundreds of thousands of German civilians (including workers essential to the war effort); disrupted communications, public services, and administration; rendered millions of persons homeless and compelled other millions to live in congested quarters; reduced the production and productive capacity of vital industrial areas like the Ruhr; spread fear, grief and despair throughout Germany.

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American bombing has been on a smaller scale than the British but in operations such as the two attacks on ball and roller bearing plants at Schweinfurt may have wrought even more significant damage to the German war potential. Although the German Air Force has had a net increase in fighter strength during 1943, operations of the Eighth and Fifteenth Bomber Commands have prevented German industry from meeting accelerated production schedules of the single-engine and twin-engine fighters which are essential to the defense of German cities and to the support of German armies. Without adequate fighter strength Germany cannot successfully resist invasion. She is therefore conserving her fighter strength, principally by offering maximum resistance only when bombing attacks are directed at targets deep within German territory.

Combined operations against the Ploesti oil installations, the Schweinfurt and other ball bearing plants, and the German single-engine fighter plants have constituted the nearest approach yet made to a test of the American plan of strategic bombing. Together they achieved by early November a serious threat to the vitals of the German airplane industry. After November 2, however, for reasons not altogether within Allied control, daylight bombing operations have included among their targets only one (Augsburg) of the important installations that require deep penetration attacks. As a result, there has

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been continued recovery of German aircraft and other production, with some additional output by new plants in eastern and southern Axis Europe. Furthermore, as a result of lessons learned from earlier attacks, and by the first effective use of rockets, the Germans have improved the effectiveness of their fighter defense. Hence no conclusive test of the ultimate effects of strategic bombing has yet been made.

The American bomber offensive against Germany should gain momentum during 1944 because of certain new operational factors:

1. Technological developments have reduced the hazards of flying and the inaccuracies of bombing under bad weather conditions.

2. Increased long-range fighter protection promises to reduce the effectiveness of German fighter interception.

3. A substantial increment of four-motor bombers, already allotted to the Eighth and Fifteenth Air Forces, will permit not only a much greater weight of attack but greater flexibility in operations.

4. A greatly increased number of sorties from Italian bases will compel the German Air Force to spread its fighter defenses and should lead to the destruction of vital targets (especially in the German aircraft industry) which are not within satisfactory operational range of the British Isles.

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There is no conclusive evidence that Germany can be bombed out of the war within the next three months. If the German armed forces are to be crushed in the near future, a successful invasion of the continent is necessary. In any case, the Allies are committed to such an offensive for political, as well as military, reasons. Tactical bombing and aerial ground support, preliminary and incidental to invasion, should provide the ultimate test of the ability of the German Air Force to resist the combined air forces of the United States and Great Britain. It is almost certain that in such a test the German Air Force will be driven from the skies. In that event German industry and German cities will be exposed to complete destruction by Allied bombing.

C O N C L U S I O N S

1. Germany has lost the strategic initiative. Because of the threat of air action she cannot make strategic withdrawals to shorter lines of defense. She must stand or fall on her ability successfully to resist an invasion of Western Europe.
2. Germany has not yet, however, met any irreparable defeat on the land or in the air by the end of 1943.

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3. There is no substantial evidence that Germany can be bombed out of the war during the early months of 1944.

4. The final collapse of Germany requires large-scale invasion operations against the continent of Europe.

5. One of the first consequences of such operations will be to precipitate a decisive battle for control of the air over Western Europe, with the resulting destruction of all or the greater part of the German Air Force.

6. Without adequate air defenses, Germany will then be unable to maintain a prolonged resistance to Anglo-American ground operations or to prevent the complete destruction of her industries, her cities and her communications by aerial bombardment. She will be compelled to surrender.

of events which culminated in a German revolution (November 9) and the surrender of the German armies on November 11.

The mystery of this unexpected German collapse is to show to the minds of both the Germans and the Allies that, with Germany facing the prospect of even greater military pressure than in 1943, the question is constantly being asked: will 1918 repeat itself in 1944? This possible analogy has engaged some of the best efforts of intelligence officers of the armed forces of the United Nations. German public opinion has been so perturbed on this matter that German official propaganda has spent a good part of its effort in proving that there is no possible analogy between 1918 and the present situation. How sound, then, is this alleged analogy?

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APPENDIX I

IS THERE A VALID ANALOGY
BETWEEN 1918 AND 1944?

In mid-July 1918 the German offensive operations in France were stopped and the Allied armies took the initiative. When the "Hindenburg Line" was breached late in September it was evident to the Allied leaders that the war had turned decisively in their favor. Nevertheless, the request made by the German Government on October 4 for an armistice came as a surprise. Equally surprising was the subsequent course of events which culminated in a German revolution (November 9) and the surrender of the German armies on November 11.

The memory of this unexpected German collapse is so sharp in the minds of both the Germans and the Allies that, with Germany facing the prospect of even greater military pressure than in 1918, the question is constantly being asked: will 1918 repeat itself in 1944? This possible analogy has engaged some of the best efforts of intelligence officers of the armed forces of the United Nations. German public opinion has been so perturbed on this matter that German official propaganda has spent a good part of its effort in proving that there is no possible analogy between 1918 and the present situation. How sound, then, is this alleged analogy?

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ECONOMICALLY

Economically, Germany in the autumn of 1918 was in serious, even desperate, plight. The blockade maintained by Allied sea power for four years had deprived Germany of all imports from overseas. As long as German armies occupied the areas detached from Russia by the Treaty of Brest-Litovsk (March 1918), that is, the Baltic States, Poland, and the Ukraine, some food supplies could be obtained; but the amounts received fell far short of expectations, and by the autumn of 1918, the German people were getting along on very slim rations of food, clothing and fuel. The ration in Berlin was only two-thirds of normal requirements, and the average weight of the German population had declined 20%.

Germany had used up her reserves of textiles, was short of rubber and even shorter of oil. In the production of steel and the manufacture of munitions of all kinds she was far behind the total effort of Britain, France and the United States.

In late 1943 the economic position of Germany is, by an absolute standard, better than in 1918. The effects of the Allied blockade have been to a considerable extent neutralized by Germany's conquest of the larger part of the European continent whose industrial and agricultural output are now in the service of Hitler's war machine. The food situation is not serious - the general ration being about half as large again as twenty-six years ago. The German diet is monotonous, but it

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appears to be adequate and about as effective in calories as the British. It may also be noted that the average health of the German people is better than in 1918, so that the physical powers of resistance are greater. Both fuel and textiles, while not abundant, present less of a problem than in 1918. In rubber and oil, thanks to synthetic processes, the German resources appear to be relatively adequate. There is no critical shortage in raw materials as a whole. Only in copper and certain steel alloys is the position really "tight." The general production of Germany has been somewhat reduced in 1943 as the result of bombings, and still greater reduction can be expected as the result of our stepped-up bombing program. In spite, however, of the apparently adequate position of the transportation system this may well be, as it really was in 1918, the most vulnerable factor in the German economic-military structure. But, as of late December 1943, there has not been a sufficient impairment of Germany's war production to make the German Government and the High Command seriously consider the necessity of peace.

On the other hand, the total production of the United Nations today is from two and one-half to three times greater than that of the Allies in 1918. At the moment the economic analogy between 1944 and 1918 is not sound; but the longer hostilities continue, the more closely must the comparison between the United Nations and Germany be made in terms of 1918.

P O L I T I C A L L Y

Politically, the situation in 1918 was relatively simple

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Germany was a constitutional monarchy: the executive government was carried on by the imperial chancellor, who was appointed by the Emperor and responsible to him. The Reichstag, though elected by universal manhood suffrage and possessing control of the public purse, made little effective use of its power. Though not a dictatorship in the current sense of the word, the German Government was fundamentally autocratic. But there also existed well-organized political parties which competed for seats in the Reichstag, and in 1917 several of the parties combined to pass a Reichstag resolution dealing with peace terms which was at variance with the views of the imperial government. In addition, the German press was comparatively free and did, in fact, often criticize the government. The ordinary civil rights of personal freedom, security of property, and religious liberty were usually respected. Although the appointment of Hindenburg and Ludendorff to the High Command of the German army in 1916 had led to the establishment of a quasi-military dictatorship, this made little impression on the German people and did not lead to a suspension of the Reichstag.

Furthermore, the pronouncements of Woodrow Wilson in favor of the democratic way of life had made a certain impression in Germany, where some people were able to understand why the rest of the world feared and denounced German militarism. In the autumn of 1918 German political life possessed sufficient vitality to be able to obtain from the Emperor William II a decree instituting a parliamentary form of government and the actual es-

establishment of a ministry (under Prince Max of Baden) responsible to the Reichstag. This government held office until overthrown by the revolution of 9 November 1918. The importance of this short-lived regime lay in the fact that it prepared the way for the almost bloodless revolution which overthrew the German monarchy.

In December 1943 the political situation in Germany is completely different. For ten years the country has lived under a dictatorship of ever-increasing severity which maintains a tight grip on German life. All parties (except the Nazi) have been dissolved and the Reichstag itself meets only to rubber-stamp a Hitler directive. In general, opposition to the regime has been driven underground and possesses neither large numbers nor effective organization. Freedom of assembly and freedom of speech have long since disappeared. By means of a strictly controlled press and radio Dr. Goebbels tells the Germans what they should think, and listening to foreign broadcasts is a criminal offense. The youth of Germany has been completely Nazified and remains essentially loyal to Hitler. Political changes comparable to those of 1918 are not easy to imagine in 1944.

Moreover, the Nazi regime is obviously determined to defend itself. Elaborate preparations have been made to deal with disaffection and possible uprisings. Hitler, unlike William II, does not intend to allow his power to collapse by default. The German population may some day revolt, but, at the moment, such a revolt seems unlikely.

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Nor is it likely -- as is shown in Part II -- that the German General Staff will seek an armistice until military disintegration is even further advanced than in 1918. The Allied Governments have announced their determination to destroy the Prussian military caste as completely as they propose to destroy the Nazi system. High ranking German officers are among those listed for punishment as war criminals, so that the Army cannot hope to divorce itself from the regime, as it did in 1918, when it urged the Kaiser to abdicate.

A second factor in the political situation is that, in 1943, there is nothing comparable to the Fourteen Points of Woodrow Wilson and his program for a democratic world which held out to the Germans the prospects of an acceptable peace. The German people, and what was more important, the German High Command, were undoubtedly affected by the pronouncements of the American president, and the decision of the Army to appeal for an armistice with a view to making peace on the basis of the Fourteen Points was almost universally approved.

The prospect of a similar situation developing in this war seems remote. In the first place, the Allies so far from showing any disposition to offer a "soft" peace, insist upon "unconditional surrender." Presumably, in the minds of the Allied leaders, this military phraseology, repeating General Grant's demand at Fort Donelson, implies that Germany must surrender without receiving any kind of political promises comparable to those given in 1918; that she must lay down her arms and rely on the

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justice of her conquerors. The Germans interpret "unconditional surrender," however, to signify the intention of the Allies to destroy Germany utterly and completely. Dr. Goebbels loses no opportunity to drive this idea home. Furthermore, the Germans have contended ever since 1919 that they were betrayed by the Allies who, according to the Germans, disregarded the Fourteen Points in dictating the Treaty of Versailles, and therefore, any promises by the United Nations to grant easy terms of peace to Germany in return for an overthrow of the Nazi regime would be received with derision in Germany. Thus, even if the German people were now free to oppose the Nazi regime (which they are not) they would fear that an Allied peace might be even worse than continuance of the war.

M O R A L E

If victory is being won or appears in sight, a people will endure all kinds of hardships and deprivations. The real test of morale comes with actual defeat or the prospect of defeat. So long as the German armies were winning victories in France in 1918, the morale of the civilian population stood up very well in spite of all kinds of hardships. "The Kaiser's Battle" was, in fact, immensely popular. Only after July 1918, when the German armies began to be driven back, did German opinion become restive and only after the Hindenburg line had been pierced did the Kaiser see the necessity of changing the constitution of the empire in the direction of greater popular control of government. It was not until the High Command demanded an armistice,

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thus admitting the loss of the war, that general morale, as distinct from the discontent of individuals, began to crack.

M I L I T A R I L Y

In December 1943 the military position of Germany is less favorable to the Nazis than the economic and the internal political situation. The German armies in 1943 have certainly not won victories comparable to the successes achieved by Ludendorff in March - July, 1918, and are, in fact, on the defensive. The situation on the Russian front is perilous and, unlike 1918, the Germans are faced with the opening of other major fronts and accelerated aerial bombardment.

By 1918 Germany's allies - Austria-Hungary, Turkey, and Bulgaria - had become liabilities to Germany, who had to send them men and materials that she could have used with great effectiveness on the western front. The majority of the Bulgarian people had never been enthusiastic for the war and after the United States entered the conflict, they concluded that the program of Woodrow Wilson would in any event secure for them what they desired in the way of territory. Army morale was so affected that when in September 1918 the Allies struck from Salonika, the Bulgarians soon ceased to resist and an armistice with the Allies was signed on September twenty-ninth. This had the effect of separating Germany from Turkey which surrendered a month later. When the Austro-Hungarian army also surrendered early in November, Germany was left alone. She had lost control of the Near East, which to her had become a primary object of the war. She faced the prospect

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of invasion from the southeast as the Allied armies began to occupy Austrian and Hungarian territory. The realization of this situation contributed to the decision of the German High Command to ask for an armistice and end the war.

In the present war, Italy, Hungary, Rumania and Bulgaria joined Germany because the prospect of German victory seemed to make possible the realization of their respective territorial ambitions. Except in the case of Hungary, there was little popular enthusiasm behind the decisions of the governments. In July 1943 Mussolini fell and the Italian Government surrendered. Some ardent fascists may continue to fight with the German army in Italy, but in face of the general hostility of the Italian people their assistance to Germany cannot be of much value. Since the Allies can now bomb German territory from Foggia, the situation is not unlike that of 1918, when the collapse of Austria opened the road for an invasion of Germany from the south.

In the Balkans the situation is more complicated now than in 1918. Many rumblings of discontent are being heard in Hungary, Rumania and Bulgaria, where fear is growing that Germany will lose the war, and there is reason to believe that the several governments would like to withdraw from the war. In Hungary the outward forms of constitutional government are still preserved, but the presence of German agents restrains the action of the government. In Rumania the government is a dictatorship under absolute German domination. In Bulgaria there are few German ground troops or agents and the Bulgarian army, unlike that of Hungary and Ru-

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mania, is still intact, so that in a sense the government has somewhat more freedom of action.

A further complication is provided by the fact that in both Hungary and Rumania there is intense fear of Russia. If the German control is broken, both Hungary and Rumania will be eager to have Anglo-American troops take over before the Russians arrive - difficult as this may be to arrange. The Bulgarians, on the other hand, are distinctly sympathetic to Russia and have carefully refrained from declaring war on the Soviet Government; therefore Bulgaria will probably be the first of the Balkan countries to try to break away from the Axis.

If the Balkan states abandon Germany, the way would be opened for an invasion of Germany from the southeast. But, whereas the collapse of the Near East in 1918 was by voluntary action of Germany's allies, they are not now free agents and will not be permitted to withdraw from the war so long as Germany possesses the military means to coerce them. Therefore the analogy of 1918 does not hold.

Two factors make the situation of 1944 entirely different from that of 1918. The first is the effect of air bombardment, which is becoming steadily more intense and more devastating. There is no doubt that bombing has made the German people desire an early end of the war. The available evidence leaves no doubt that German morale has been impaired by the terrific bombardments. Some Germans are resolved to show that, like the English,

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they "can take it," but there are others whose reaction to bombing is hopelessness and despair.

The second factor which distinguishes the present situation from that of twenty-six years ago is that shortly Germany will have to face a formidable second front and perhaps a third and fourth front. In 1918 Germany was fighting on a large scale only on the western front. In 1941-3 she fought chiefly on the Russian front. Now, in 1944, for the first time, she will have to face two or three fronts on a large scale. To be sure, in 1914-16, the German armies stood up against two fronts, but they faced nothing comparable to what lies ahead of them when both the British-American armies in the west and south and the Russian armies in the east strike simultaneously against the German position. Thus, 1918 affords no real analogy with the present military situation.

C O N C L U S I O N S

1. Economic shortages were not primarily responsible for Germany's surrender in 1918 and are of even less importance in 1944 because by and large, her economic position is at the moment stronger than it was twenty-six years ago.

2. It was not political discontent which undid the Hohenzollerns in 1918, although there was much dissatisfaction with their regime, and the Hohenzollerns made no effort to defend themselves; the Nazis are determined to defend themselves and have the

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means to do so.

3. The fundamental cause of the German collapse in 1918 was military defeat and what appeared to be impending disaster. In 1944, Germany's military fortunes are lower than at any time since this war began, but not yet hopeless.

4. The basic interests of the German High Command are so interwoven with those of the Nazi Party that, even if they so wish, they cannot, as in 1918, divorce themselves from the regime to move alone in the direction of an armistice or a surrender.

5. If 1918 has any meaning for the present conflict, it is that it implies that Germany will continue to hold out until her armies are overtaken by military defeat or until her industry is immobilized by aerial bombardment.

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By authority A. C. of S., G-2

Date. *20 Aug. 43 (P.S.B)*

SUMMARY

of

EUROPEAN DOCUMENTS

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WAR POTENTIAL AND INTENTIONS OF EUROPEAN AXIS NATIONS

Explanatory Notes.

The yearly summaries which follow are based on information contained in Intelligence reports, memoranda, estimates, and other documents. The abbreviations and numbers in the left margin of the summaries refer to the individual documents in the various files of the branches of the Eur-African Unit, Military Intelligence Service, which accompany these summaries.

The abbreviations used are as follows:

CE	Central European Branch.
EE	Eastern European Branch.
BI	British Isles Branch.
SE	Southern European Branch.
WE	Western European Branch.
G-2	The Assistant Chief of Staff, G-2.
MA	Military Attache or Assistant Military Attache.

For example, CE 20 refers to the 20th document in the file of the Central European documents, while WE 5 refers to the 5th document in the WE file. Thus, complete details on a subject discussed in a report may be obtained by referring to the original document with the aid of the number in the left margin.

The G-2 documents consist of memoranda, studies, estimates and similar material prepared for the information of appropriate War Department and other governmental agencies.

Introduction.

The rise of Hitler to power in Germany in 1933 marked the definite break between the post- and pre-war eras. It is necessary, therefore, because of the importance of the German role in Europe, to include earlier reports from the Military Attache in Germany than was originally contemplated in the directive on this study. As early as May 1935, the M/A in Berlin reported that Germany was placing all her economic life on a war footing. A week later, he further clarified this picture by stating that almost 50 percent of German industrial production was devoted to rearmament. In August, the M/A added that the military position of Germany was being further

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- CE 4 improved by the construction of a vast network of military roads. Hitler's speech of September 16 was estimated by the M/A to be a direct threat against the continuance of the status of Memel in Lithuania, although he added that it was impossible to predict when Germany would make a move against its small Baltic neighbor. By October the M/A estimated that only 3 groups still had substantial political influence in the Nazi government; the Nazi Party; the Army; Finance and Industry. In a clash between the party and the army, he added, the army would be forced to give in.
- CE 5
- CE 6 On November 25 the M/A reported that Germany, although she sought a temporary peace with France, expected to fight the French nation when the time finally came for a clash with the Soviet Union. France, however, would be placed in the role of the aggressor. In the East, Finland was regarded as a sure German ally in any Soviet-Nazi clash. A further demonstration of how German life was dominated by military considerations was noted by the M/A in reporting the relocation of German industry and the establishment of new war industries in Central Germany in preparation for possible military undertakings.
- CE 7
- CE 8 The M/A estimated that the reoccupation of the Rhineland by Hitler meant far more than a mere re-entry of Nazi garrisons into a few German cities. By a single daring move Hitler had cut the bases from under the whole structure of French post-war alliances, he stated. The European crisis which resulted from the reoccupation of the Rhineland was such that the M/A felt that all strategic factors incident to an outbreak of war between France and Germany must be considered. He added, however, that he did not believe such a clash would come. A month later the M/A summed up the German position as being strictly a defensive one. Germany will play for time, he said, support Hungarian rearmament, and attempt to place in power in Austria a government more friendly to Germany than the one then in control. During the summer of 1936, the M/A reported that Germany was completely dissatisfied with the status quo and that she sought territory in Eastern Europe. He added that Germany would refrain from war only if her demands could be attained without war. In a further report in the fall of 1936, the M/A warned that the German-Italian cooperation was becoming steadily more complete and that the reoccupation of the Rhineland had caused a sharp decline in French prestige in Eastern Europe.
- CE 9
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- CE 11
- CE 12

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1937

CE 13 The year 1937 marked the opening of the final desperate race of all governments in Europe to place these countries on a war basis. Germany's rising military might was reported by the M/A in Berlin who stated that the size of the Nazi army had approximately doubled since 1936. This army had a strength of 36 divisions and totaled at least 800,000 men, although the shortage of officers continued to be a limiting factor in its expansion. In a further report dated the same day, the Military Attache said that in addition to the 36 first line divisions, the complete reorganization of German reserves would provide 12 or more Landwehr divisions. Germany's air force strength was estimated by the M/A to consist of between 720 and 960 first line combat planes with a total personnel in excess of 100,000. In a letter dated May 25, 1937, the M/A pointed out that while Germany's military and economic potential was rising steadily, he did not expect war in the immediate future. He reported in September that the motorization of 4 German divisions would begin within a month. CE 14 CE 15 CE 21 CE 24 CE 25 CE 32 Germany was making rapid progress in the development of 4-motored planes. By the end of October, the M/A estimated that the German Air Force had already reached a point where it must be given serious consideration as a powerful opponent and that its strength was increasing rapidly. He added that the Germans were producing approximately 6,000 planes a year. Germany's fortifications system along the Rhine was imprisoning the French Army within France. The M/A reported that as each month passed, France would be less able to aid its European Ally, Czechoslovakia. By the spring of 1939, he estimated that Germany would be in a position to stand off the French Army using only one half of its field forces.

SE 1a SE 2 SE 4 In November, the M/A advised that the German General Staff regarded the British position as weak, and that Germany's price for an understanding with England would be the renunciation by the British of their policy of supporting France's far flung system of alliance. Meanwhile, the growing German strength reflected in the reports of the M/A from Berlin was having a considerable effect on Germany's neighbors. To the South, the M/A in Rome reported that Italy was seeking to insure its position in the Mediterranean and also, if possible, bring Turkey into an anti-Bolshevik block. Italy was also undertaking a series of moves to prepare itself for either an immediate or an eventual armed conflict. The M/A in Rome pointed out that the Italians were constructing a new coastal road in Libya which was of prime military importance and that Italian munitions factories were being operated at maximum capacity. Considerable quantities of food were also being stored away, he added. On March 5, the M/A in

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Rome advised the War Department that the Grand Fascist Council had met on March 1 and decided that "all possibility of limitation of armaments was now out of the question."

SE 7 Italian plane production was estimated by the M/A in Rome
SE 14, 15, at 1500 to 2000 per year, while total Italian air strength
16, 17, was said to be from 3000 to 4000 planes. In a series of
18, 19, reports, he discussed the production of various aircraft
20 plants and the steps which Italy had taken to prepare for
SE 21 air war. In a comment on the mobilization of reserves in
November 1937, he stated that the order affected about
100,000 reservists and that Italy now had a total of approx-
imately 500,000 men under arms.

SE 176 The uneasiness with which the nations of Europe regarded
the armament and the mounting international tension was re-
flected in a letter from the M/A in Bulgaria. The M/A
quoted King Boris as telling the new American Minister to
Sofia that Bulgaria wished peace and that they were trying
to avoid all entanglements.

BI 13 The Western powers, France and England, also were be-
coming gradually aware of the growing threat to their security
from Nazi Germany. However, both the British and French
were far from being prepared militarily. In a report on
BI 16 March 10, the M/A in London discussed at length the expansion
of the British army to a war footing and made clear the
immense task that lay ahead of England before she could
create a modern army. A further report a week later dis-
cussed new British weapons and outlined a five-year plan
to be completed in the spring of 1942. These plans called
for a small but efficient striking force dependent in the
case of continental fighting on an Alliance with a strong
military power. In a report accompanying this program the
Military Attache stated that he was sceptical because the
program envisaged offensive action which was alien to the
traditional British defensive spirit. In a report of
BI 34 October 1937, he estimated that the German army was superb
and the French army improving, while the British army was
inferior due to a shortage of equipment and old-fashioned
ideas. In a further discussion of the unfavorable factors,
BI 38 he stated that his impressions of the British army were
almost uniformly pessimistic.

WE 4 The French also were aware of the Rising German peril
on their eastern frontier. The M/A in Paris reported that
the French industrial situation was extremely difficult and
that there was considerable confusion and lack of real progress.
He cited specifically the opposition of the munitions manu-
facturers to the attempts to nationalize French war industry.
France's feeling of helplessness in view of the progressive
WE 14 German rearmament was reflected in a report dated May 7, 1937

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WE 13 in which the M/A stated that the French felt Austria was almost ready to fall into German hands, and that Great Britain would do very little about it. France possessed only 1000 first line aircraft in 1937. The M/A stated in this report that the Air Minister Pierre Cot was carrying out nationalization of French aviation industry.

EE 5 In Eastern Europe, the role which the Soviet Union was to play in the coming clash was not yet clear. The M/A in Moscow reported that the purge of Tuchachevsky and other leading Soviet officers had begun to tighten its grip on the political reliability of Soviet commanders and to raise the efficiency of the Soviet Army. Although our M/A to the Soviet Union made clear that it was very difficult to obtain reliable and official information concerning the Soviet Union's air strength, he reported in August 1937 that the Soviet Union had a total of approximately 4000 aircraft. EE 14,15 Discussing Soviet Union's industrial mobilization in later reports, he pointed out that the centralization of executive authority was complete and unlimited. The difficulties with which the Stalin regime had to cope included lack of technical skill among workers, low standards of living, sabotage and wreckers. EE 7 The budget for the year 1937 showed the increasing amount appropriated by the Soviet Union for national defense EE 3 while funds for other activities closely allied to the military were also increasing.

1938

CE 36 The year 1938 opened with Germany in an increasingly strong military position. The M/A in Berlin advised that Germany had undertaken a complete shift to war economy, and, while this in itself did not presume a future war, it meant that Germany intended to be the strongest military power in Europe. CE 37 Germany's fortification policy gave a clear indication of her intentions in case of war, the M/A stated, and such frontiers as were unarmed indicated points at which Germany might be expected to attack. Such frontiers, he pointed out, included the Csech border.

CE 41 Hitler's announcement of February 20 that the German army would be increased was clarified by the M/A who explained that the increase would bring Germany's strength from 36 to 48 infantry divisions and from 3 to 5 Panzer divisions. On March 9, two days before the German troops crossed the Austrian frontier, the M/A warned that the Nazis might seek an immediate solution in Austria so that they might not lose CE 42 the gains which had been made at the Berchtesgaden Conference.

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CE 43 Following the proclamation of the Austro-German union, the M/A in Berlin advised that Italian defense of Austria was impossible. In the same report, he pointed out that Great Britain and France had been greatly weakened and that the small states of Central Europe would now probably come to terms with Germany. Czechoslovakia, he added, either would come within the German orbit, see its national entities liquidated, or be divided into the various nationalities which CE 45 constituted the state. Two weeks later the M/A, in reporting the growing tension in Czech-German relations, stated that the only question in the dispute was when, not whether, Hitler would move. Germany intends to liquidate the hodge-podge state of Czechoslovakia and incorporate German inhabited areas into the Third Reich, he warned.

CE 47 The Czech crisis of May 21-22, 1938 marked the opening of the Czech drama, the M/A reported. He added that it might last for a considerable time. He did not, however, believe there would be any immediate action because Germany would be 20 percent more self-sufficient economically for war in 1939 than at the present time. Meanwhile, from Prague came word of Czech measures to meet any possible German threat. On CE 49 May 24 the M/A in Prague reported that the Czechs were taking military measures which they termed "exercises" rather than mobilization.

CE 52 Although the Czech crisis did not come to an immediate head, Germany continued to press the construction of the West Wall. The M/A in Berlin reported that the unfinished state of the fortifications on Germany's frontier would deter Hitler from measures against the Czechs which might result in a clash with France. During the summer the Czech crisis continued to loom large in international politics. By August 1 the M/A stated that while the Germans might still want a federated Czechoslovakia, they would undoubtedly, in the end, annex the Sudeten area outright. A week later he CE 57 stated that more than 150,000 persons were engaged in the construction of the West Wall and that the Germans planned to reach at least partial completion of these fortifications by September 15. On August 8 the M/A advised the War Department that Hitler was determined to bring the Czech question to a head between September 15 and November 1. Ten days CE 58 later, while the British Runciman Mission was in Czechoslovakia seeking a solution of the Sudeten dispute, the M/A in Berlin advised that no action would be expected until the Mission had completed its work. At the same time, he added, Germany was strengthening its military position. By September 1 he felt that armed German intervention in CE 61 Czechoslovakia did not lie within the scope of Hitler's plans. At the same time he said that German military measures would not be relaxed until a solution of the Czech crisis had been reached. Two weeks later the M/A reported that Hitler's CE 63 intentions were uncertain, but that he believed no decision as to military intervention had been reached.

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CE 64 By September 28, the M/A reported that the Germans were calling reservists to the colors and were taking such military measures as placing the Air Force in a state of full readiness. The next day he telegraphed that further CE 65 German military preparations were taking place. On the 27th, CE 66 he advised the War Department that five or six divisions were being massed along the Czech frontier. No general mobilization had yet been ordered by the 28th.

CE 67 On September 29, the Munich Pact was signed and the fate CE 68 of Czechoslovakia was sealed. On October 5, the M/A reported from Berlin that Germany was seeking to keep Slovakia from falling into the hands of the Hungarians despite Hungarian claims and the support which Hungary was receiving CE 70 from Poland and Italy. On October 28 the M/A stated that Germany would shortly demand the Memel District of Lithuania and that the Lithuanian government in Kovno had a limited CE 77 time in which to accede to German demands of this step. In December he reported that British-German relations appeared to have reached a psychological stalemate.

SE 27 While Germany utilized the year 1938 to cement its hold on Central Europe, Italy was further strengthening its military position. In February 1938, the M/A in Rome reported that SE 34 the Italian air strength showed a considerable increase in the past year. Commenting on the visit of Hitler to Italy in May, the M/A reported a considerable lack of enthusiasm on the part of the Italian people, showing anti-German feeling in Italy. The results of the discussion between Mussolini and the Führer were not known, he added, but it seemed unlikely that they would result in a military alliance between the two nations.

SE 42 In July the M/A stated that Italy did not at present have a reserve of military aircraft and depots and, therefore, was not in a position to supply technical units for SE 45 replacements for less should war start in the immediate future. During the Czech crisis, the M/A in Rome reported that Italy did not expect a general European war to develop from the existing situation. In reference to the increasing German-Czech tension, he stated that although Italy could effect a rapid mobilization, there appeared to be considerable SE 49 sentiment in Italy against a war as an ally of Germany. On SE 50 October 12, he reported that Italy had a plane production of from 180 to 200 combat aircraft per month. The strength of the Italian Army, according to the Combat Estimate, November 2, 1938, was around 738,000.

The events of 1938 and the war scare which resulted from the Czech crisis served partially to shake the two western

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- BI 45 powers, England and France, from their feeling of complacent security. In March 1938, the British began to realize the weakness of their position and the Military Attache to London reported that the War Minister Hore-Beleisha undertook a drive for reorganization of the British Army. On March 14, BI 51 the Military Attache stated that the British intended to reduce their overseas garrisons and strengthen their position at home BI 56 for action against the Germans. However, he reported that the reorganization of the army planned by Hore-Beleisha was actually ineffectual and there were no air-raid precautions to speak of.
- BI 60 Actual aircraft production in England in 1938 was about 200 per month. The success of the British air program must depend upon a major change in the attitude of the whole British nation. Despite the warnings which they had during the summer, BI 87 the Czech crisis caught the British completely unprepared. The Military Attache stated that everything had to be improvised and therefore all military preparations were tragically botched. Despite this lack of reality, he added, the British apparently sank back into apathy immediately after the crisis had been settled at Munich. A further report on the inefficiency of BI 88 antiaircraft during the crisis was revealed by the Military Attache in a report on October 24.
- WE 19 The year 1938, and the Czech crisis also, caught the French nation entirely unprepared and shaken by internal political strife. In March 1938 the Military Attache to Paris reported that the confidence of the French public had been shaken as to the use of the 1937 National Defense Loan. When WE 23 the friction between the Germans and Czechs began to take its acute form in May, he reported that while the French were much interested in the fate of their central European ally, there was little evidence of a constructive thought by the French WE 34 General Staff on how to meet the situation. A further report on French weakness was given by the Military Attache who quoted Colonel Lindberg on the weakness of the French air arm, which the Military Attache said was substantiated by a statement of the French Air Minister. Following the Munich agreement and the dismemberment of the Czechoslovak Republic, the Military WE 42 Attache reported that the French were completely disillusioned. WE 43 The French General Staff believed that another crisis would WE 44 come by April 1939. The steadily increasing seriousness of WE 48 the implications of the German international situation and the threat of a European war were noted in a report in December.

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The reporting from Moscow for 1938, and in fact for the whole period of the European Crisis until the outbreak of war in September, 1939, is marked by an almost complete lack of information from the M/A in the Soviet Union. This may in some measure be explained by the difficulties of obtaining information concerning military and political events in the face of the Soviet censorship and the existing lack of trust of foreigners. However, the picture of what was taking place in the Soviet Union remains the weakest point in the overall reporting by American military attaches during the pre-war period.

EE 87 In the Soviet Union the events of 1938 marked the end
EE 88 of their intention to create a united front against the Germans
EE 89 by means of the League of Nations and by alignment with the
Western powers. The Soviet Union during the year continued
EE 93 to push its industrial mobilization in preparation for any
conflict. The strength of the Soviet Air Force was estimated
EE 104 at 49 land and 5 naval brigades. During the Czech crisis
the Military Attache to Moscow reported, on September 15, that
the Soviet army would assist the Czechs if they were attacked
by the Germans provided the French also came to their assistance.
The Soviet Military leaders, however, were openly critical of
the British policy and believed that the Runciman Mission would
result in dismemberment of the Czechoslovak state. Following
EE 105 the Munich agreement, the Military Attache reported that the
Soviet leaders appear to be undetermined whether to continue
their participation in the League of Nations, to develop
additional bi-lateral treaties with neighboring states
or to withdraw from efforts at collective action and
EE 108 concentrate on strengthening the internal structure of the
Soviet Union. In December the Military Attache estimated
production of aircraft for the calendar year of 1938
to be 2150 planes. The maximum aircraft engine production
of all types would be 6600.

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1939

The year 1939 opened with an almost complete lull in political activity. The lull was so complete that on February 20, the Military Attache in Berlin reported that there appeared to be almost no chance of German aggression for the balance of the year unless some unpredictable development should occur. Germany's attention for the moment, the Military Attache added in a report a week later, was focused on the Hungarian situation and the struggle for power between the various groups within that country. On March 13, he reported that the German Press had been building up the Czech crisis for several days and it appeared that Germany would intervene with force in the present crisis. In a telegram the next day, he advised the War Department that within the next two days German troops were expected to occupy Czechoslovakia and the following day he telegraphed that the occupation had been accomplished the previous night. In estimating the implications of the occupation of Czechoslovakia, the Military Attache in Berlin stated that it had definitely revealed the German program for expansion to the east during 1939. While this program might be confined to the Polish Corridor, Danzig, Memel and former German territory in Poland, he added that it might include Rumania and parts of the Soviet Union. On March 27, he reported that the issue of Danzig and the Polish Corridor was foremost in the minds of Berlin observers. He added that he did not believe that the full pressure of joint Italian-German action against the Western democracies would come in 1939.

During the spring of 1939 German and Polish relations followed somewhat the same pattern as had Czech-German relations during the previous year. On April 3, the Military Attache reported that relations had become more or less critical with incidents along the border, although he did not believe that military action by the Germans against Poland would take place immediately. A week later he further clarified the situation by stating that, rumors to the contrary, he did not believe unusual troop movements of any magnitude had occurred within the Third Reich. Although immediate military preparations were not going on, he advised that airplanes were being delivered to flying fields with a view to possible future military operations. Germany's total aircraft strength was set at 4490 first line aircraft with reserves bringing this up to nearly 14,000. He stated that Germany was able to put into the field 150

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CE 91 divisions, making her even more formidable than she was in 1914. He added that preparations for a move against Poland had been going on since September 1938, and he believed that the guarantee of the Western Powers to Poland had momentarily checked German preparations but that the German Eastern program had not been abandoned. Commenting on Hitler's Reichstag speech of April 28, the M/A termed it "most ominous." He said it left the impression of a desperate determination to continue Germany's Eastern expansion. He also warned of a gradual concentration of troops in Eastern Germany. On May 8, the M/A in Berlin reported that all German units were at full war strength and that 500,000 reserves were undergoing additional training. A week later he reported a further indication of the deepening crisis which was the effort to train reserve and commercial fliers in combat aircraft during the present summer. The M/A stated that while Germany was doing all in its power to break Polish nerves by minor troop movements, he did not believe she would risk a general war at the present time. However, the minor moves would serve to screen any serious movement, he added. The first warning of the possibility of an impending German-Soviet agreement was given by the M/A on May 26. He warned that if Britain did not reach agreement with Russia, Germany might reach such an understanding and that the failure of British-Russian negotiations might well be the signal for a German attack on Poland. He estimated that Germany could place in the field 2,000,000 men and he advised of the disposition of German forces in any possible Polish campaign. A temporary lull in the crisis occurred in July and the M/A noted that a number of leaves had been granted to high-ranking officers indicating that no immediate action would take place. At the same time, however, he estimated that the Germans had available 3,690,000 men who could be called to the colors in case of war. During the course of the month the M/A again reported that the Polish situation had been comparatively quiet since June 30, but he warned that any idea that Hitler's Eastern program had been stopped was not borne out by the military situation as known to him. On August 7, the M/A stated that German troop movements toward the East and concentrations of troops along the Polish Frontier which began July 30, coupled with other emergency measures, belied the apparent political calm. Two weeks later, he reported that many officers were being called back suddenly to duty. The Germans have now thrown off the mask, he said, and are demanding not only Danzig but the whole Polish Corridor and Teschen. On the day following the outbreak of the Polish-German conflict, the M/A in Berlin advised the War Department that the most that could be expected from Russia was a strengthening of the Soviet garrison on the Polish Frontier. This would compel Poland to send troops to the East. At the same time, he characterized the Soviet-German Pact of August 23 as a

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German technical blunder.

CE 110 On September 1, the Nazi armies attacked Poland, and three days later England and France declared war on the Third Reich. While the German war machine was beginning to roll in high gear and the final phases of the Polish campaign were being concluded, the M/A in London reported that the British had told him that Germany had gasoline for only two or three months of military operations. Following the collapse of Poland, the M/A in Berlin stated that Germany's first move would probably be an aerial or underseas campaign against England and British shipping. If such a campaign failed to bring England to her knees, then Germany must attack the French and British armies. Such an attack would only be accomplished through Belgium and Holland or through Italy, and the Belgium-Dutch route offered the greatest chance of success. In Italy as in Germany the opening of the year 1939 was marked by a lull. At the end of February SE 62 the M/A to Rome in a report on aircraft production pointed out that while there was considerable war talk there had been no speed up in production which might indicate immediate SE 63 hostilities. A report from the M/A in Paris quoted French military sources as substantiating this theory. However, the M/A himself did not believe that the Italian war preparation was a bluff. He took a more pessimistic view of the situation. The M/A in Rome reported that as of March the probable maximum peace strength of the army would be 600,000 men, half of whom would not be ready for combat until they finished their recruit training in July or August. The SE 76 belief in Italy that 1939 would go by without war in the same manner as 1938 was further substantiated in a report by the M/A in June. At that time, he quoted an Italian SE 80 officer who said there would be no war. At the end of the month the M/A reported that Italian production of aircraft had reached 150-180 units per month.

SE 65 When war finally came on the First of September, Italy did not take part in it. However, Italy continued its military preparations and by October its army was estimated by the M/A to have reached a total of 1,300,000. At the end of November, he estimated that Italian war industry would be unable to equip the Italian army for a major war and that this would prevent Italy from engaging in any conflict of long duration. In southeastern Europe the last bar to SE 179 the rearmament of Bulgaria was removed by the Salonika Pact of July 31, 1939 and the Bulgarian combat estimate of April 25 placed the total armed strength of Bulgaria at 60,000 men. SE 180 Just before the outbreak of war, the M/A in Bucharest reported that while the official policy of Bulgaria was neutrality, it was probable that Bulgaria would be drawn into any general

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SE 101 conflict. In November the M/A in Sofia asked a member of the French Legation whether he believed Bulgaria would permit Germany to have air bases on her territory. The French diplomat replied that he thought it unlikely because the Bulgarians did not wish to fight on the side of the Axis powers.

BI 103 While Germany was utilizing the early part of 1939 to make the finishing touches on her preparations for possible war, the British were finally beginning to realize the fundamental dangers of their position. On January 4, 1939, the M/A in London stated that the preparedness effort had started too late and that the initial conceptions and programs were not on a sufficiently large scale. He reported that the British believed that while they would undergo a severe ordeal at the outbreak of a war, at the end of from 2 to 6 months their individual, military, and air initiative would pass to the Western Powers. The M/A advised the War Department that there appeared to be considerable confusion and rumors as to Germany's next move during the first months of 1939. On April 19, he stated that England was in a very serious situation indeed and that a general war was imminent. He said that in any such struggle, the Royal Air Force would be quantitatively out-classed by the Luftwaffe. He termed the British army amateurish. In May and again in July, the M/A reported that units of the British army which he inspected had made a very favorable impression and in view of the change from earlier inspections, this was a marked improvement. This was substantiated by other more optimistic reports on the general situation.

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WE 70 The other major western power, France, also attempted to utilize 1939 to catch up with the German war machine but the M/A to Paris took a pessimistic view of these attempts. In April 1939, he discussed the attempts being made to remedy the weaknesses of the French position. However, he made it clear that French mobilization of industry for war was not efficient and that French production had not reached the organization necessary for the successful prosecution of a war. He reported that while the French were shaken by Hitler's march into Prague, they over estimated the resistance which the Polish army would be able to offer to any further German movement to the east. WE 64 In a series of reports, he discussed French views on the general situation. The French, he said, believed that the German army was 100 percent behind Hitler but that German fuel reserves were limited to 6 months and that the strength WE 65,72 of the German army was 1,000,000 to 1,200,000. The Polish

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army consisted of about 500,000 men with good officers and soldiers but an inadequate number of non-commissioned officers and insufficient materiel.

WE 89 French weakness in the air became steadily apparent and the M/A in Paris reported that this weakness was fully discussed in the press and the Chamber of Deputies. Plans and appropriations were made in 1937 for an increase to 1,500 modern combat aircraft by April 1940. The French air strength, however, was steadily diminishing and, although the French Air Ministry declared early in 1939 that the aircraft industry would soon produce 250 aircraft monthly, the French army received only 15 military aircraft in January 1940.

EE 110 In Eastern Europe, the Soviet Union, thoroughly aware
EE 139 of the dangers of its isolated possessions after the Munich Agreement, pushed its rearmament program. In 1939 the Soviet government carried through a reorganization of the People's Commissariat of Munitions and also the Commissariat of Food Industry. The mounting military expenses were also shown in the steady increase in the budget for national defense. During the spring and early summer the Soviet government carried on its negotiations with both the western powers and Germany but no troop movements were apparent other than those shown by local maneuvers. However, during the month of August just before the conclusion of the Soviet-German agreement, considerable movements of troops to the Far East were reported by the M/A in Moscow. A later report by the M/A emphasized the seriousness with which the Soviets considered the Russo-Japanese situation and the military steps which they were taking to meet any eventuality on that frontier. Following the outbreak of hostilities between Poland and Germany, the Russians, on September 16, invaded Poland and joined with Germany in a 4th partition of that nation. Despite their treaty with Germany, the M/A reported apprehension in Moscow concerning possible movement of military events in the West. He also reported the movement of Soviet divisions to the Finnish frontier in the north as well as to the Turkish border in the south. The order of battle of the Soviet air force submitted by the M/A
EE 144 emphasized the growing concern which the Soviet leaders felt for their western frontier. On November 30, the Red Army invaded Finland.
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1940

During the winter and early spring of 1940, military action was at a complete standstill. The campaign for Poland had been completed and the only fighting taking place was the Soviet attack on Finland. In February, the Military Attache in Berlin estimated German plane production at approximately 1800 to 2000 per month, though he warned that this figure might be slightly high. The French were also aware of the growing German strength. The Military Attache in Paris reported that the French War Department estimated Germany had mobilized between 150 and 170 divisions and that this number might be eventually increased to 300 divisions. On February 21, the Military Attache in Paris reported further that Germany had 101 to 106 divisions concentrated on the Western Front. This compared with a report from Berlin by the Military Attache which placed the figure of divisions in the West at 111. The Military Attache in Berlin estimated, however, that the figure of 214 divisions which he stated would be mobilized by June 1 night, in fact, be called to colors by May 1.

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In the surprise attack, the Germans moved north on April 9 overrunning Denmark and Norway, but two days later, approximately a month before the attack in the West, the Military Attache in Berlin advised the War Department that the Germans believed that the Maginot Line could be broken. Following the successful Norwegian campaign, the Military Attache in Berlin reported that the military situation was suspiciously quiet and he felt that further action would follow soon. In considering what form this action would take, he added, one must always be aware of the potentialities of the great German concentrations in the West. A week later, on April 29, he stated categorically that in view of the preparations of the German military forces, a general offensive on the Northern part of the Western Front would be undertaken in an attempt to break through and defeat the Allied armies. At the start of the offensive in the West, the Military Attache in Berlin estimated that the German Army possessed 240 divisions of all types. On May 13, he added that the German offensive launched on the northern part of the French front was designed to destroy all the Allied military forces.

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On June 20, the first hint of German dissatisfaction with the Russians was given by the Military Attache in Berlin who reported that economic cooperation with the Soviet government was proving unsatisfactory. At that time, however, he believed that Germany would undertake an attack on England. If this proved successful, he added, it would be followed by operations against the Soviet Union and in Africa. On July 24,

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CE 139a he again mentioned unsatisfactory Soviet-German relations, stating that 60 divisions had been concentrated in Poland and Eastern Germany as a precautionary measure. Despite his surmise of possible action against the Soviet Union, CE 140 the Military Attache believed that the chief German objective was in England, and that the movement of troops to the East CE 142 was defensive in nature. On August 16, he advised that Germany would bomb England heavily and perhaps send invasion CE 143 armies if she gained air supremacy. A week later, he cabled that Germany had 8000 first line planes for use against the British in addition to 3000 for internal defense.

On September 25, the Military Attache in Berlin reported for the first time that German units were being sent to North Africa to bolster the Italians in their fight against the British. By October 11, he advised that the probability of a land attack on the British Isles during the present year was decreasing rapidly although it could not be entirely discounted. Troop movements in the East and Southeast were continuing, he CE 147 added.

On November 22, the Military Attache in Berlin reported that concentrations of troops in northern Norway served notice on the Soviet Union of great interest in Finland's mineral deposits. Following the victorious campaign in France and the low countries, the Military Attache advised that men had been called to colors in small numbers but steadily and Germany would have approximately 223 divisions available by the end of the year. In a report of December 6, the Military Attache CE 150 and his assistants agreed that the United States must not underestimate Germany and that as a nation, the Third Reich was tremendously powerful.

A few days later, he noted that new divisions were being CE 151 formed in Germany and by the spring of 1941 the German army would have at least 250 divisions. Despite the lack of anti-Soviet comment, the Military Attache suspected that the ground-work was being prepared for a strategic surprise attack against Russia and warned that the possibility of such an attack should CE 154 be carefully weighed. On December 11, he reported that the mobilization of Germany was continuing at an accelerated rate and that 65 per cent of the German army was stationed in Germany, Poland and Southeast Europe. Meanwhile, units possibly destined for the invasion of England had been withdrawn from Belgium and CE 155 Holland, he added in a report a week later. This report also stated that the German strength of Panzer divisions was being increased to 20.

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During the winter of 1939-40 and the early spring, Germany's southern Axis partner continued to remain outside the conflict. However, the Italian government spent an increasing amount for military preparations. The M/A in Rome advised the War Department that Italy had available a total of nearly 4,500,000 men, but that it was not in a position to arm and equip this number. In March he estimated that the metropolitan army of Italy consisted of 1,300,000. At the end of the same month he stated that while Italian military leaders knew they would not be able to maintain a total war effort for long they were doing all in their power to prepare for possible involvement in the conflict. In August 1940, following the fall of France, the M/A in Belgrade reported that the Italian propaganda was being directed at Yugoslavia and that it was reported Albania had been promised parts of the southern Slav kingdom. The M/A in Rome reported on December 13, that leaders of the Fascist Party were making attacks on high ranking officers and on the General Staff and that in view of the Italian debacle in North Africa, German aid to Italy's African army was increasingly probable. Three days later however, the M/A reported that the presence of German troops might mean merely Germans on their way to Libya to study colonial peace policies and that it was not expected that Germany would give Italy any direct military aid.

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Meanwhile, the Bulgarians continued to remain aloof from the conflict throughout 1940. The Military Attache reported from Belgrade on March 27 that a Moscow-Sofia commercial airline had been inaugurated but this was believed to be a Soviet propaganda measure and not an indication that the Soviets had obtained any material concessions in Bulgaria. Three months later, the Military Attache in Athens estimated that the Bulgarian Air Force consisted of 541 good planes but that heavy shipments of war materials continued to arrive in Bulgaria.

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In addition to its regular Military Attaches in the major capitals in Europe, the United States government also decided to place Military Attaches in Belgium and the Netherlands. An attache was assigned to Belgium during the summer of 1938 and one was assigned to the Netherlands after the fall of Poland in the fall of 1939. These attaches continued their work until the German invasion in the spring of 1940. Their reports particularly during the spring of 1940, gave an accurate picture of the strength of the Low Countries and their possible contribution to any defense of Western Europe against a German invasion. While German preparations for a possible attack on the Soviet Union gradually became clear to our military observers in Berlin during the latter half of 1940, the Military Attache in Moscow reported that the Soviet Union was steadily strengthening its position during the year. The war with Finland caused a food shortage in the Moscow area, but the Military Attache reported

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EE 137 that the situation had not become critical. In April, he
reported that Molotov's speech stressed friendship with
Germany and vigilance against French activities in the Near
EE 140 East. The Military Attache stated that Stalin did not want
a complete Soviet-German military alliance which might force
him into a war with major powers. However, the Soviet Union
continued to profit by German preoccupation in the West and
EE 151 the Military Attache reported the annexation of sections of
Bessarabia in the Moldavian Soviet Socialist Republic in
August 1940.

EE 172 In the fall of 1940, it became apparent in Moscow that
the Soviet-German relations had become strained.

1941

The year 1941 opened with Germany preparing for a tremendous military effort. The M/As in Berlin were aware of the vast increase planned in the German army and reported them continually during the spring of 1941. On January 17, the M/A advised that the most probable German effort would be either an attack on England or on the Soviet Union. He added that there might be a minor campaign in the Balkan area to relieve pressure on the Italians and to consolidate Germany's
CE 161 position in southeastern Europe. In this report he paid particular attention to the factors indicating possible action against the Soviet Union, such as troop concentrations, increased movements of motorized units, continued German mobilization, and reports of coolness in Soviet-German relations. On January 27, he advised the War Department that a German panzer brigade was already in Tripoli but there was no indication that Germany planned a major operation in the Balkans. However, German concentrations in Southeastern Europe continued to grow. An estimate of German strength in Rumania on February
G-2 24 13 prepared for the Chief of Staff, placed the number of Nazi troops at from 500,000 to 600,000. These troops, it was stated, were intended for a possible thrust southward to the Aegean. Such a move would place all Southeastern Europe under complete German control. A month later the M/A in Berlin reported
CE 165 that Germany had 32,300 planes in action service or in reserve. Several days later another communication from the M/A in Berlin stated that it was difficult to judge whether the Germans really meant to attack the British Isles or not, although he thought they probably did not. The publicity which they gave to such an attack he felt was intended as a part of a war of nerves. On March 17, the M/A advised Washington that further
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preparations were going on for a war against Russia. German forces in the East had been steadily increased in the last two weeks, he said. Three new army groups had been reported and Germany had completed a survey of the Russian border. These and other factors, the M/A stated, led him to believe that an attack on Russia was being prepared.

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A further indication of Soviet-German tension was given by the M/A on March 28; he reported that the Soviet Union was using her influence in the Balkans to encourage anti-German elements. By April 15, the M/A in Berlin had become convinced that indications pointed toward an attack against the Soviet Union while a further report on the same day stated that Germany had only 48 combat divisions on the Channel coast and could not launch an attack on the British Isles until these had been reinforced. On May 13, he reported that the Russian situation had now reached a critical stage and German troop concentrations on the Soviet frontier had been increased to approximately 100 divisions. The first indication that the Germans might continue South into the Aegean after overrunning Yugoslavia and Greece in their Balkan campaign came in April. On May 15, he warned that the Germans intended to attack Crete by aid of paratroops. In a memorandum for the Chief of Staff on May 20 just after the beginning of the Crete operation, it was stated that a German success would close the Mediterranean to the British.

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On the eve of the Soviet-German conflict, June 16, the M/A reported from Berlin that he had the impression that a great crisis was at hand. In an estimate for the Chief of Staff on the situation on the Russian front on June 25, three days after the German attack on the Soviet Union the main object of the Germans was considered to be the destruction of the northern group of Soviet armies. During the summer campaign the M/A reported that Germany had made considerable progress but that there was not evidence that the Soviet Union was breaking up internally. By the end of August he stated that the Germans would be forced to accept a limited objective in Russia in 1941 because of Russian resistance and that they were making plans for a winter campaign in North Africa. On October 3, he reported that Germany would have 300 divisions by the end of the year and that the M/A's office knew of the existence of 24 panzer divisions. In October he estimated that the Germans were planning a grand scale offensive in the Soviet Union to break the Soviet Union before the winter set in. If this campaign should fail, he added, Germany would face defeat.

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During 1941, the importance of the role played by Germany's southern partner increased somewhat, although the brunt of the fighting in the Mediterranean, the Soviet Union and also in the Balkans was borne by the German Army. On January 23, the Military Attache in Rome stated that there were persistent rumors that the German Air Force in Sicily would attempt an airborne invasion of Malta but that no actual preparations for such an attack could be confirmed. Early in March, he estimated that the Italians had only some 6 or 800 combat planes of all types in continental Italy, Sicily and Sardinia. By April 3, the Italians had concentrated some 450,000 troops in Albania. On May 13, the Military Attache in Rome advised the War Department of the rumor of future German and Italian plans to take the Suez Canal and attack the British fleet in the East Mediterranean and a month later, he predicted that the Italian Air Force would become more active in the Mediterranean. In a letter in August, the Military Attache in Rome stated that it was doubtful whether the Germans would continue to furnish sufficient equipment and raw material for the potential 120 divisions in Italy since the Germans wished the Italian Army to be strong enough to be helpful, but not strong enough to have delusions of independence. In December, he advised that Italy had an Air Force with a total personnel of approximately 200,000.

Meanwhile during 1941, the spread of the European War to Southeastern Europe finally brought the Bulgarians into the conflict. By April 4, the Military Attache in Sofia reported that the Bulgarians were three-quarters mobilized and that only lack of equipment prevented the calling of more men to the colors. The Military Attache added that an agreement had been reached between Bulgaria and Germany and that Bulgarian troops would be concentrated along the Turkish front, relieving German divisions against Yugoslavia and Greece. On April 9, the Military Attache warned the War Department that an attack on Yugoslavia seemed likely at any time in view of German troop dispositions. On April 14, the Military Attache reported the movement of Bulgarian troops through Sofia and apparent preparations for reoccupation of Thrace and Macedonia. Confirmation of the Bulgarian intentions to occupy territories of Thrace and Macedonia was seen in a communique issued by the Bulgarians on April 19.

Although the Soviet Union maintained apparent outward friendship with Germany during the early part of 1941, the government took steps to block German expansion in Southeastern Europe. The Military Attache in Moscow on January 6 quoted a Soviet officer as saying that when the Germans crossed the Soviet frontier, they would be met and defeated. The use of the word when rather than if indicated the current feeling

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- among Soviet officers that a clash between the two nations was inevitable. Further indication that the Soviets were taking extensive military preparations to meet any possible German threat was given in a report by the Military Attache in Moscow of January 27 in which he reported that a great many classes were being called to the colors. The Soviet Union continued to increase its military appropriations during the early part of 1941, the Military Attache reported.
- EE 187
- EE 203 On April 8, the Military Attache advised the War Department that there were indications of a break between the Soviet Union and Germany. Three weeks later, the Military Attache in Moscow advised that the danger of a German invasion appeared to be growing. He added that troops and materiel had been transferred westward. In May, he again informed the War Department that he had been advised by a Slovak diplomat that German units had been passing through Bratislava, day and night, moving in the direction of the Soviet Union. On June 19, the Military Attache stated that the Germans have advised the State Department to evacuate American women and children from the Soviet Union indicating the possibility of an invasion by German Army. Following the German attack on June 22, he sent a series of telegrams to the War Department advising them of the developments in the war. The Military Attache also advised the War Department that the Soviet Union had approximately 22 divisions in the Far East.
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